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ABSTRACT

This document is Title 23 of the North Carolina Administrative Code, which deals with the Department of Community Colleges. Chapter 1 contains general administrative provisions regarding the college system, including definition of terms, authority, state planning, and procedural information. Chapter 2 identifies the mission of the community college system, and general rules for the organization, governance, and operation of individual colleges. Personnel policies and regulations, student admissions policies, and college evaluation and accreditation requirements are addressed, as well as fiscal affairs issues, such as salary, student fees, capital construction, facilities, budgeting, and fiscal management regulations. This section of the code also covers reporting of student enrollment, educational program classification, curriculum program approvals, courses, standards, program review, and terminations. General adult, special extension and community service programs are addressed. Chapter 3 deals with miscellaneous program regulation, including licensing and administration of business, trade, technical, and correspondence schools statewide. (PGS)

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TITLE 23. DEPARTMENT OF

COMMUNITY COLLEGES

Complete Title

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CHAPTER 1 - GENERAL PROVISIONS

SUBCHAPTER 1A - ORGANIZATION

.0101 DEFINITIONS

The following terms shall have the following meanings throughout this Title unless the context of a specific rule requires a different interpretation:

(1) Credit Hours:

(a) Credit of one semester hour is awarded for each 16 hours of "class work." Class work is lecture and other classroom instruction. Class work is under the supervision of an instructor.

(b) Credit of one semester hour is awarded for each 32 hours of "experiential laboratory work." Experiential laboratory work means instruction given to a student by an instructor to increase the student's knowledge and skills without immediate student application.

(c) Credit of one semester hour is awarded for each 48 hours of "faculty directed laboratory work." Faculty directed laboratory involves structured and coordinated demonstration by an instructor with immediate student application.

(d) Credit of one semester hour is awarded for each 48 hours of "clinical practice." Clinical practice is a structured, faculty-directed learning experience in a health sciences program which develops job proficiency. Clinical practice requires significant preparation, coordination, and scheduling by the faculty and is under the supervision of an instructor or preceptor who is qualified for the particular program.

(e) Credit of one semester hour is awarded for each 160 hours of "work experience" such as cooperative education, practicums, and internships. Work experience involves the development of job skills by providing the student with employment that is directly related to, and coordinated with, the educational program. Student activity in work experience is planned and coordinated by a college representative, and the employer is responsible for the control and supervision of the student on the job.

(2) Full-time Student means a student enrolled in 12 or more credit hours. For the summer session, Full-time Student means a student enrolled in nine or more credit hours.
(3) Part-time Student means a student enrolled in less than 12 credit hours.
(4) FTE means one full-time equivalent (FTE) student or 256 student membership hours per semester (based on a typical semester of 16 weeks x 16 student membership hours per week).
(5) Student Membership Hour means one hour of scheduled class or laboratory for which the student is enrolled. A college shall provide a minimum of 50 minutes of instruction for each scheduled class hour.
(6) Annual Curriculum FTE means the total of the student hours in membership for fall and spring semesters divided by 512 (256 student hours per semester x 2).
(7) Annual Continuing Education (non-credit) FTE means the total of the student hours in membership for the three reporting periods divided by 688 (based on two typical semesters of 16 weeks and a typical summer term of 11 weeks). The three reporting periods are fall semester, spring semester, and the summer term.
(8) Budget Full-time Equivalent (B/FTE). B/FTE means the number of FTE which determines a college's operating budget.
(9) College means any institution established pursuant to G.S. 115D except for the N. C. Center for Textile Technology.

Note: Substance of 23 NCAC 2D .0317 and 2E .0104 was incorporated into this Rule.

History Note: *Authority G.S. 115D-5; 115D-54; S.L. 1995, c. 625;*
Eff. September 1, 1993;
Temporary Amendment Eff. June 1, 1997;
Amended Eff. July 1, 1998.

.0102 RESERVED FOR FUTURE CODIFICATION

.0103 AUTHORITY

(a) Each college within the system shall operate under the direction of a board of trustees, a corporate body, which derives its authority from the law and rules of the State Board.

(b) All power and authority vested by law in the State Board which relates to the internal administration, regulation, and governance of any individual college of the community college system are hereby delegated to the board of trustees of such college with the following exceptions and reservations:

(1) Power or authority that is non-delegable as a matter of law;
(2) Power or authority in matters of systemwide or inter-college importance is reserved for determination by the State Board;
(3) The State Board reserves the right to rescind any power or authority as it deems necessary in accordance with G.S. 150B; and
(4) The governing authority of the State Board pertaining to the assurance of:
  (A) fiscal accountability,
  (B) program accountability, and
  (C) satisfaction of state priorities.

Note: Substance of former 23 NCAC 2A .0003 and 2B .0303 was incorporated into this Rule.

History Note: *Authority G.S. 115D-3; 115D-5; 115D-8; 115D-12; 115D-25; 150B-22 through 150B-37;*
Eff. September 1, 1993.

.0104 RESERVED FOR FUTURE CODIFICATION

.0105 STATE PLANNING

The State Board shall review the priorities of the system and adopt a system-level plan on at least a biennial basis, coordinated with the budget cycle. The plan shall take into account the current and future needs of the system and clarify the priorities essential to carrying out the mission of the system.

Note: Substance of former 23 NCAC 2B .0204 was incorporated into this Rule.

History Note: *Authority G.S. 115D-5;*
Eff. September 1, 1993.

SUBCHAPTER 1B - PROCEDURE

.0101 PETITIONS

(a) Any person wishing to request the adoption, amendment, or repeal of a rule made by the State Board, Department of Community Colleges, shall make a request in a petition addressed to:

System President
Department of Community Colleges
200 West Jones Street
Raleigh, NC 27603-1379

(b) The petition shall contain the following information:

(1) either a draft of the proposed rule or a summary of its contents;
(2) the statutory authority for the agency to adopt the rule;
(3) the reasons for the proposal;
(4) the effect of the proposed rule on existing rules;
(5) any data supporting the proposal;
(6) the effect of the proposed rule on existing practices in the area involved, including cost factors; and
(7) the name and address of the petitioner.

(c) The System President or designee shall determine, based on a study of the facts stated in the petition, whether the public interest will be served by granting the petition. The System President or designee shall consider all the contents of the submitted petition and any additional information deemed relevant.

(d) Within 120 days of submission of the petition, the State Board or designee shall render a decision. If the decision is to deny the petition, the System President or designee shall notify the petitioner in writing, stating the reason(s) for the denial. If the decision is to approve the petition, the State Board shall publish a notice of rule-making proceedings.

History Note: *Authority G.S. 143B-10(j)(2); 150B-20;*
Eff. September 1, 1993;
Amended Eff. March 1, 1997.

.0102 RESERVED FOR FUTURE CODIFICATION

.0103 HEARING OFFICER

The System President, or one or more hearing officers designated by the System President, shall be hearing officer(s) in a rulemaking hearing.

History Note: *Authority G.S. 143B-10; 150B-21.2;*
Eff. September 1, 1993.

.0104 HEARINGS

(a) Any person desiring to make an oral presentation at a public hearing may submit a written copy of the presentation to the hearing officer prior to or at the public hearing.

(b) Presentations shall not exceed 10 minutes.

(c) Written comments must be sent to:

System President
Department of Community Colleges
200 West Jones Street
Raleigh, NC 27603-1379

(d) The hearing officer shall have control over the rule making hearing, including:

(1) the responsibility of having a record made of the hearing;
(2) extension of any time allotments;

(3) recognition of speakers;
(4) prevention of repetitious presentations; and
(5) general management of the hearing.

(e) The hearing officer shall ensure that each person attending the hearing is given a fair opportunity to present views, data, and comments.

History Note: *Authority G.S. 143B-10; 150B-21.2;*
Eff. September 1, 1993;
Amended Eff. March 1, 1997.

.0105 STATEMENT OF REASONS FOR AND AGAINST RULE MAKING DECISION

(a) Any person who desires from the System President a concise written statement of the principal reasons for or against the decision by the State Board to adopt or reject a rule may, within 30 days after adoption of a rule, submit a request to:

System President
Department of Community Colleges
200 West Jones Street
Raleigh, NC 27603-1379

(b) The request must be made in writing and must identify the rule or proposed rule involved.

(c) The System President shall issue the statement of reason(s) against the State Board's decision within 45 days after receipt of the request.

History Note: *Authority G.S. 143B-10; 150B-21.2;*
Eff. September 1, 1993;
Amended Eff. March 1, 1997.

.0106 RECORD OF RULEMAKING PROCEEDINGS

A record of all rulemaking proceedings conducted by the State Board, including responses to petitions for rulemaking, shall be maintained in the office of the System President and shall be available for public inspection during regular office hours. This record shall include:

(1) the original petition, if any;
(2) the notice;
(3) written presentation or submission;
(4) a transcript or audio tape of the oral hearing; and
(5) a final draft of the adopted rule.

History Note: *Authority G.S. 143B-10; 150B-21.2;*
Eff. September 1, 1993.

.0107 FEES

Any person requesting copies of materials from the hearing record shall be charged five cents ($ .05) per page.

History Note: *Authority G.S. 132-6;*
Eff. September 1, 1993.

.0108 DECLARATORY RULINGS

(a) The State Board shall have the power to make declaratory rulings. A declaratory ruling means the State Board's determination of the validity of a specific rule or whether a specific statute, rule or order applies to a given set of facts. All requests for declaratory rulings shall be by written petition and shall be submitted to:

System President
Department of Community Colleges
200 West Jones Street
Raleigh, NC 27603-1379

(b) Every request for a declaratory ruling must include the following information:

(1) the name and address of the petitioner;
(2) the statute or rule to which the question relates;

(3) a concise statement of the manner in which the petitioner is aggrieved by the rule or statute or its potential application to him; and

(4) the consequences of a failure to issue a declaratory ruling.

(c) Whenever the State Board believes that the issuance of a declaratory ruling is undesirable, it shall refuse to issue one. Where a declaratory ruling is deemed inappropriate, the System President or designee shall notify in writing the petitioner, stating reasons for the denial of a declaratory ruling. The State Board may refuse to consider the validity of a rule:

(1) unless the petitioner shows that the circumstances are so changed since adoption of the rule that such a ruling would be warranted;

(2) unless the rule making record evidences a failure by the agency to consider specified relevant factors;

(3) unless circumstances stated in the request or otherwise known to the agency show that a declaratory ruling would presently be appropriate.

(d) Where a declaratory ruling is deemed appropriate, the State Board shall issue the ruling within 60 days of the receipt of the petition.

(e) A declaratory ruling procedure may consist of written submissions, oral hearings, or such other procedure as may be deemed appropriate, in the discretion of the State Board or its designee in the particular case.

(f) The System President or his designee may issue notice to persons who might be affected by the ruling that written comments may be submitted or oral presentations received at a scheduled hearing.

(g) A record of all declaratory ruling proceedings shall be maintained by the System President and shall be available for public inspection during regular business hours. This record shall contain:

(1) the original request;

(2) the reason(s) for refusing to issue a ruling when the request is denied;

(3) all written memoranda and information submitted;

(4) any written minutes or audio tape or other record of the oral hearing; and

(5) a statement of the ruling when the request is granted.

History Note: *Authority G.S. 150B-4;*
Eff. September 1, 1993;
Amended Eff. March 1, 1997.

CHAPTER 2 - COMMUNITY COLLEGES

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SUBCHAPTER 2A - RULES OF ORGANIZATION

.0101 RESPONSIBILITIES OF THE DEPARTMENT OF COMMUNITY COLLEGES
.0102 ORGANIZATION

History Note: *Statutory Authority G.S. 115D-1; 115D-3; 115D-4; 115D-5; 115D-14; 115D-15; 115D-20;*
Eff. February 1, 1976;
Amended Eff. December 1, 1984; July 1, 1980; September 30, 1977;
Repealed Eff. September 1, 1993.

.0103 AUTHORITY (Substance of this Rule is contained in 23 NCAC 1A .0103)

History Note: *Statutory Authority G.S. 115D-3; 115D-5;*
Eff. September 30, 1977;
Amended Eff. September 1, 1982;
Repealed Eff. September 1, 1993.

.0104 STATE PRESIDENT: FISCAL DIRECTION AND BUDGET MANAGEMENT

History Note: *Statutory Authority G.S. 115D-3; 115D-4; 115D-5;*
Eff. December 1, 1978;
Amended Eff. December 1, 1984;
Repealed Eff. September 1, 1993.

.0105 RULEMAKING

History Note: *Statutory Authority G.S. 115D-3; 115D-5;*
Eff. September 1, 1982;
Repealed Eff. September 1, 1993.

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History Note: *Statutory Authority G.S. 115D-1 through 115D-81;*
Eff. February 1, 1976;
Amended Eff. September 8, 1978; September 30, 1977;
Repealed Eff. September 1, 1993.

.0104 MISSION OF THE COMMUNITY COLLEGE SYSTEM

The mission of the North Carolina Community College System is to open the door to high quality, accessible educational opportunities that minimize barriers to post-secondary education, maximize student success, and improve the lives and well being of individuals by providing:

(1) education, training and retraining for the workforce, including basic skills and literacy education, occupational and pre-baccalaureate programs;
(2) support for economic development through services to and in partnership with business and industry; and
(3) services to communities and individuals which improve the quality of life.

History Note: *Statutory Authority G.S. 115D-1; 115D-4.1; 115D-5;*
Eff. September 1, 1993;
Amended Eff. August 1, 2000; July 1, 1995.

SECTION .0200 - THE NORTH CAROLINA COMMUNITY COLLEGE SYSTEM

.0201 EVOLUTION
.0202 THE COMMUNITY COLLEGE SYSTEM AND VOCATIONAL EDUCATION

History Note: *Statutory Authority G.S. 115A-1 to 115A-5;*
Eff. February 1, 1976;
Repealed Eff. September 30, 1977.

.0203 ADVISORY COUNCIL: MEMBERSHIP

History Note: *Statutory Authority G.S. 115A-3;*
Eff. February 1, 1976;
Repealed Eff. September 1, 1977.

.0204 STATE PLANNING (Substance of this Rule is contained in 23 NCAC 1A .0005.)
History Note: *Statutory Authority G.S. 115D-1; 115D-3; 115D-5;*
Eff. May 1, 1982;
Repealed Eff. September 1, 1993.

.0205 COLLEGE PLANNING
Each member college of the Community College System shall maintain an ongoing planning process which provides for development of a college plan. As a minimum, college plans shall address program and facility needs; shall include the college's mission, goals and objectives, consistent with the mission of the System and with the State Board's priorities; and shall provide for evaluation of results. Plans shall be submitted to the Department in accordance with its procedures.

History Note: *Statutory Authority G.S. 115D-1; 115D-5;*
Eff. May 1, 1982;
Amended Eff. September 1, 1993.

SECTION .0300 - SYSTEM PRESIDENT: AUTHORIZATIONS

.0301 PROVISION OF INFORMATION TO THE DEPARTMENT OF COMMUNITY COLLEGES
The trustees and the president of each college are responsible for seeing that scheduled periodic official reports about the college and any special reports are submitted in a timely manner and in the format prescribed by the System President.

History Note: *Statutory Authority G.S. 115D-5;*
Eff. February 1, 1976;
Readopted Eff. January 5, 1978;
Amended Eff. September 1, 1993; December 1, 1984.

.0302 NO-COST EXTENSION OF CONTRACTS
The System President is authorized to extend the completion date, at no additional cost, of any contract which has received prior approval of the State Board when circumstances warrant, provided that no applicable laws or regulations prohibit such an extension. Such an extension shall not exceed six months beyond the completion date approved by the State Board.

History Note: *Statutory Authority G.S. 115D-5;*

Eff. February 1, 1976;
Readopted January 5, 1978;
Amended Eff. September 1, 1993; December 1, 1984.

.0303 ADMINISTRATIVE MEMORANDA

(Substance of this Rule is contained in 23 NCAC 1A .0003.)

History Note: *Statutory Authority G.S. 115D-3; 115D-5;*
Eff. February 1, 1976;
Readopted January 5, 1978;
Amended Eff. December 1, 1984;
Repealed Eff. September 1, 1993.

SECTION .0400 - INTERNSHIP PROGRAMS

.0401 GENERAL
.0402 PROCEDURES FOR SELECTION

History Note: *Statutory Authority G.S. 115A-3; 115A-5; 115A-9;*
Eff. February 1, 1976;
Repealed Eff. September 30, 1977.

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SUBCHAPTER 2C - COLLEGES: ORGANIZATION AND OPERATIONS

SECTION .0100 - TRUSTEES AND COLLEGES

.0101 AUTHORIZATION

The boards of trustees of community colleges as bodies corporate are authorized to do all things necessary and proper to organize and operate colleges consistent with the law and the rules of the State Board.

History Note: *Authority G.S. 115D-5; 115D-14;*
Eff. February 1, 1976;
Amended Eff. September 1, 1993; December 1, 1984; September 30, 1977.

.0102 NAME

Trustees of all colleges hereinafter named or renamed shall use the full term, Community College, in the name given the college. Other than the term mentioned in this Rule, the Trustees have full authority to name or rename colleges. Changes in existing names shall be forwarded to the State Board specifying the specific date of the change prior to the effective date. Conformity shall be required before any state funds are authorized.

History Note: *Authority G.S. 115D-2; 115D-5;*
Eff. February 1, 1976;
Readopted Eff. January 5, 1978;
Amended Eff. September 1, 1993; December 1, 1984; October 5, 1979.

.0103 ROLE

History Note: *Authority G.S. 115D-1; 115D-5;*
Eff. February 1, 1976;
Amended Eff. September 30, 1977;
Repealed Eff. September 1, 1993.

.0104 ORGANIZATION OF INSTITUTIONS

History Note: *Authority G.S. 115A-5; 115A-9;*
Eff. February 1, 1976;
Repealed Eff. September 30, 1977.

.0105 ESTABLISHING COLLEGES

A new college operating under Chapter 115D will be called a community college. An application for a new college must come from the county commissioners in the proposed administrative area. The application shall be sent to the state board which may direct the department to cooperate with the applicants in making a survey to determine the following:

(1) Do the educational needs of the area justify the educational services proposed?
(2) Can the existing public and private post-secondary institutions in the area meet the needs demonstrated?
(3) If unmet educational needs exist that could be met by the proposed institution, will the projected student enrollment justify the proposed institution? As a standard, the projected enrollment should be a minimum of 400 full-time equivalent students in curriculum programs within three years after establishment.
(4) Can adequate local current and capital expense funds be supplied? As a standard, the level of local current operating fund support should be equal to the existing median support for the institutions in the community college system.
(5) Will the local public school tax support be affected adversely by the local support required for the proposed institution?
(6) Do the boards of commissioners and boards of education in the area support the application?
(7) Are the facilities proposed to house the new institution adequate?

(8) Does the application fit the policy of reasonable geographic distribution in order to meet statewide needs? As a standard, no new institution shall be established within 25 miles of an existing institution within the community college system, except where urban population density or natural barriers become overriding considerations.

(9) Will adequate state funds become available to support the proposed new institution?

(10) Can the immediate needs of an area best be served by an extension unit operating under contract with an existing institution?

When the survey is completed, the Department will report to the state board and make its recommendation(s). Representatives of the college and board(s) of county commissioners may appear before the State Board and make a presentation at the meeting that the Department's recommendation is considered. The State Board shall make its recommendation(s) for the establishment of a new college to the General Assembly, including a request for additional funds if needed.

History Note: *Authority G.S. 115D-4; 115D-5; 115D-31 through 115D-36;*
Eff. February 1, 1976;
Amended Eff. September 1, 1993; January 1, 1988; November 1, 1983; October 5, 1979.

.0106 ESTABLISHING MILITARY SERVICE AREAS

Educational programs offered by colleges of the community college system of North Carolina on all military installations will be conducted by the home college. The home college is defined as that college located in the administrative area in which the military installation is based. The home college by written agreement may contract with another college within the community college system to provide any additional educational services which may be required by the military installation located in the home college's area. Priority will be given to adjacent colleges to the military installation to be served.

History Note: *Authority G.S. 115D-5;*
Eff. September 30, 1977;
Amended Eff. September 1, 1993.

.0107 ESTABLISHING SERVICE AREAS FOR COLLEGES

The State Board shall assign service areas to colleges for providing education and training services. The initial assignment of service areas to colleges shall take into account the past and present patterns of providing services, including existing agreements between colleges. The State Board may reassign a service area upon the recommendation of the System President. The recommendation shall be based upon an analysis of the service areas involved, including consultation with the presidents of the colleges and the county commissioners of the county(ies) that are affected.

A college may offer education and training in an area assigned to another college only by written agreement between the colleges. This written agreement is to be filed with the System President. A board of trustees may delegate to its president authority to enter into short-term written agreements. Agreements beyond one year in length shall be approved by the boards of trustees of the colleges involved and filed with the System President.

History Note: *Authority G.S. 115D-5;*
Eff. March 1, 1985;
Amended Eff. September 1, 1993.

.0108 EDUCATIONAL GUARANTEE

Local boards of trustees may adopt educational guarantee policies for their colleges. Any educational guarantee policy adopted by a board of trustees shall:

(1) Be developed in an atmosphere that provides maximum input from faculty, staff, students, employers, university representatives, and community leaders.

(2) Identify the programs or activities to be guaranteed. This may include the entire program or specific courses. The goal of the system is to include all programs at all community colleges.

(3) Define the skills, knowledge, or credits to be guaranteed. This may include the guarantee to transfer earned credits taken in transfer programs and the guarantee of technical knowledge and skills needed for successful employment in occupations for graduates.

(4) Define the population of students who will receive guarantees. This shall include the identification of students, both full-time and part-time, for whom the guarantee applies.
(5) Define any special conditions of the guarantee. This shall include a time limit and grade achievement.
(6) Describe how the guarantee may be invoked and how it will be honored.
(7) Define the educational services or other benefits a student who seeks the guarantee will receive. This may include reimbursement from non-state funds, re-enrollment, tutoring, or counseling.
(8) State that re-enrolled students shall not pay tuition or fees associated with re-enrollment or other related services. Budget FTE shall not be earned for re-enrolled students.
(9) Set forth the process to be used by students to invoke the guarantee and the steps to be used by the college to improve the programs in question.

History Note: *Authority G.S. 115D-5; S.L. 1995, c. 625;*
Eff. December 1, 1995;
Temporary Amendment Eff. June 1, 1997;
Amended Eff. July 1, 1998.

SECTION .0200 - PERSONNEL

.0201 ADMINISTRATIVE

Selection of personnel is the responsibility of the trustees upon the recommendation of the president except for the president who must be approved by the State Board.

History Note: *Statutory Authority G.S. 115D-1; 115D-2; 115D-5;*
Eff. February 1, 1976;
Amended Eff. August 17, 1981; September 30, 1977.

.0202 FACULTY

(a) General
(1) Colleges shall employ faculty members so as to meet Southern Association of Colleges and Schools' criteria
(2) Colleges shall determine appropriate teaching and non-teaching loads for faculty and for technical assistants to the faculty so as to meet Southern Association of Colleges and Schools' criteria.
(3) The Criteria For Accreditation, Commission on Colleges, Southern Association of Colleges and Schools current edition is hereby adopted by reference including any subsequent amendments and editions of this book to apply to community colleges. Copies of the Criteria for Accreditation may be inspected in or obtained at no cost from the Office of the System President, Department of Community Colleges, 200 W. Jones Street, Raleigh, NC 27603-1379.

(b) Instructors for Extension Emergency Services Training. All instructors in the area of Emergency Services Training must be qualified as established by the respective emergency services certifying agency. Emergency services training means training delivered to personnel in law enforcement, fire and rescue services, and emergency medical services agencies.

History Note: *Authority G.S. 115D-1; 115D-5; 115D-20; 150B-21.6; S.L. 1995, c. 625;*
Eff. February 1, 1976;
Amended Eff. July 1, 1998; September 1, 1993; August 17, 1981; September 30, 1977.

.0203 AREA COORDINATOR REGULATIONS

History Note: *Statutory Authority G.S. 115A-1; 115A-3; 115A-5;*
Eff. February 1, 1976;
Readopted January 5, 1978;
Repealed Eff. July 15, 1978.

.0204 EMPLOYMENT OF RELATIVES

A college shall not employ two or more persons concurrently who are closely related by blood or marriage in positions which would result in one person of such family relationship supervising another closely related person or having a substantial influence over employment, salary or wages, or other management or personnel actions pertaining to the close relative. "Closely related" is defined to mean mother, father, brother, sister, son, daughter, father-in-law, mother-in-law, son-in-law, daughter-in-law, sister-in-law, brother-in-law, grandmother, grandfather, grandson, granddaughter, uncle, aunt, nephew, niece, husband, wife, step-parent, step-child, step-brother, step-sister, guardian or ward. With respect to the concurrent service of closely related persons within the same academic department or other comparable college subdivision of employment, neither relative shall be permitted, either individually or as a member of a committee, to participate in the evaluation of the other relative.

History Note: *Statutory Authority G.S. 115D-5; 115D-20;*
Eff. February 1, 1976;
R eadopted Eff. January 5, 1978;
Amended Eff. September 1, 1993; August 17, 1981.

.0205 EMPLOYMENT AND DISMISSAL POLICIES

History Note: *Statutory Authority G.S. 115D-5; 115D-20;*
Eff. September 30, 1977;
Repealed Eff. September 1, 1993.

.0206 STAFF DEVELOPMENT POLICY

History Note: *Statutory Authority G.S. 115D-5; 115D-20;*
Eff. November 1, 1983;
Repealed Eff. September 1, 1993.

.0207 PURCHASE/COMPUTER HARDWARE: SYSTEM SOFTWARE/STATE CONTRACT

(a) The State Board of Community Colleges authorizes the following classes of full-time employees to purchase microcomputers, related peripheral equipment and system software under state contract at state contract prices:

(1) classroom instructors;

(2) other professional personnel in the Department and institutions, including supervisors and administrators, engaged in delivering or supervising classroom instruction, or engaged in curriculum development;

(3) other personnel in the Department and the local institutions engaged in delivering services through computer related equipment.

(b) In addition to any procedures or requirements of the Department of Administration or the State Budget Office, an institutional employee included within a class defined in Paragraph (a) of this Rule who desires to purchase computer equipment or system software under state contract at state contract prices shall submit a request to his president. This request shall contain a certification by the employee that:

(1) he is a member of one of the classes of employees defined in Paragraph (a) of this Rule;

(2) he intends to continue employment with the community college system;

(3) the computer equipment or system software to be purchased by the employee will assist the employee in performing his assigned duties or will enable the employee to improve the performance of his assigned duties;

(4) the computer equipment or system software to be purchased will not be resold for at least three years from the date of purchase; and

(5) the computer equipment to be purchased will not be used primarily for the employee's private benefit.

(c) Upon receipt of a request from an employee the president shall determine whether the information provided therein by the employee is accurate. If the president is satisfied that the information contained in the request is accurate the president, in accordance with any procedures or requirements established by the Department of Administration or State Budget Office, shall initiate the process for the purchase of the requested computer equipment or system software. A request

which is incomplete or which contains inaccurate information shall not be approved by the employee's president.

(d) Each employee shall be limited to one approved purchase order under the application of this Rule per three year period from the date of first purchase.

(e) All requests for the purchase of computer equipment or system software shall be submitted on a form prepared by the Department of Community Colleges which incorporates the requirements of Subparagraph (b) (2) of this Rule.

(f) In addition to any procedures or requirements of the Department of Administration or the State Budget Office, professional personnel in the Department included in Subparagraph (a) (2) and (3) of this Rule who desire to purchase computer equipment or system software under state contract at state contract prices, shall follow the procedures prescribed by the Department.

History Note: *Authority G.S. 115D-5; 143-58.1(b); S.L. 1995, c. 625;*
Eff. September 1, 1985;
Amended Eff. July 1, 1998

.0208 POLITICAL ACTIVITIES OF EMPLOYEES

(a) As an individual, each employee of the community college system retains all rights and obligations of citizenship provided in the Constitution and laws of North Carolina and the Constitution and laws of the United States. Therefore, the State Board encourages employees of the system to exercise their rights and obligations of citizenship.

(b) Each local board of trustees shall develop a policy on the political activities of its employees, except for the president, that meets the following criteria and submit that policy to the System President to determine if the policy meets these criteria:

(1) Employees who decide to run for public offices shall notify the board of trustees through the president of their intentions to run and certify that they will not campaign or otherwise engage in political activities during their regular work hours or involve the college in their political activities.

(2) Any employee, who is elected to a part-time public office, shall certify through the president to the board of trustees that the office will not interfere with his carrying out the duties of the position with the college, or request leave.

(3) Any employee, who is elected or appointed to a full-time public office or the General Assembly, shall be required to take a leave of absence without pay upon assuming that office. The length of the leave of absence shall be determined by the local board of trustees.

(4) Any employee who becomes a candidate for public office shall be prohibited from soliciting support during regular work hours. The employee in question is prohibited from soliciting support on college property unless otherwise authorized by the local board of trustees.

(c) Political activities of college presidents.

(1) Any college president, who decides to run for public office, shall notify the local board of trustees of the intention to run and certify that no campaigning or political activities will be engaged in during regular work hours and that the college will not be involved in the president's political activities.

(2) Any college president, who is elected to a part-time public office, shall certify to the local board of trustees that the office will not interfere with carrying out the duties of the college presidency, or request leave.

(3) Any college president, who is elected or appointed to a full-time public office or to the General Assembly, shall be required to take a leave of absence without pay upon assuming that office. The length of the leave of absence shall be determined by the local board of trustees.

(4) Any college president, who is a candidate for public office, is prohibited from soliciting support during regular work hours. The president in question is prohibited from soliciting support on college property unless otherwise authorized by the local board of trustees. The authorization must be on a case-by-case basis.

(5) The local board of trustees shall notify the state board if the college president should become a candidate for public office or if the college president is elected or appointed to a public office.

(d) Definitions as used in this Rule.

(1) Public office means any national, state or local governmental position of public trust and responsibility, whether elective or appointive, which is created or prescribed or recognized by constitution, statute, or ordinance.

(2) Membership in the General Assembly is a full-time public office under this Rule.

History Note: *Statutory Authority G.S. 115D-5; 115D-20;*
Eff. September 1, 1988;

Amended Eff. September 1, 1993.

.0209 EVALUATION OF PRESIDENTS

Each local board of trustees shall evaluate its president annually and notify the State Board in writing that the evaluation has been completed by July 1 of each year. The evaluation instrument and method shall be selected by the local board.

History Note: *Statutory Authority G.S. 115D-5; 115D-20;*
Eff. September 1, 1993.

.0210 LOCAL COLLEGE PERSONNEL POLICIES

(a) Each local board of trustees shall adopt and publish personnel policies addressing the following issues:

(1) Adverse weather;
(2) Annual leave (vacation);
(3) Drug and alcohol use;
(4) Civil leave;
(5) Communicable disease;
(6) Compensatory leave;
(7) Definitions of the employment categories and benefits for each:
  (A) Full-time permanent,
  (B) Part-time permanent,
  (C) Full-time temporary, and
  (D) Part-time temporary;
(8) Disciplinary action addressing suspension and dismissal;
(9) Educational leave (reference 23 NCAC 2D .0103);
(10) Employee evaluation process;
(11) Employee grievance procedures;
(12) Employee personnel file;
(13) Hiring procedures (written and describing procedures used for employment of both full- and part-time employees);
(14) Leave transfer;
(15) Leave without pay;
(16) Longevity pay plan (reference 23 NCAC 2D .0109);
(17) Military leave (reference 23 NCAC 2D .0104);
(18) Nepotism (reference 23 NCAC 2C .0204);
(19) Non-reappointment;
(20) Other employee benefits;
(21) Political activities of employees (reference 23 NCAC 2C .0208);
(22) Professional development;
(23) Reduction in force;
(24) Salary determination methods for full- and part-time employees;
(25) Sexual harassment; and
(26) Tuition exemption (reference 23 NCAC 2D .0202).

(b) The salary determination policy shall address at least the following:

(1) provisions and criteria for salary determination;
(2) requirements for annual salary review; and
(3) establishment of salary formulas, ranges, or schedules.

(c) Each local board of trustees shall adopt and publish sick leave policies consistent with provisions of the State Retirement System.

(d) Each local board of trustees shall submit copies of these policies, including amendments, to the System President's Office upon adoption.

History Note: *Authority G.S. 115D-5; 115D-20;*
Eff. September 1, 1993;

Amended Eff. January 1, 1996.

.0211 CONTRACT BUY OUTS

(a) Contracts entered into by boards of trustees may not be bought out with state funds, unless required by a court of competent jurisdiction. The parties entering into a contract are responsible for implementing the contract. Therefore, should it become necessary to terminate employment prior to the expiration of a contract and if it is necessary to buy out the contract, such payment shall not be paid from state funds.

(b) An individual in a state-funded position whose employment is terminated prior to the expiration of a contract may not be re-employed by the college to offset the lost wages which the employee would have received under the contract. All efforts shall be made to prevent terminations which require the buying out of contracts.

(c) If an individual whose employment contract has been terminated enters into another employment agreement with the college, such employment shall be for a salary commensurate with the services being performed. Such employment shall not be to provide the employee the same level of compensation he or she would have received under the former contract.

History Note: Statutory Authority G.S. 115D-5; 115D-20;
Eff. December 1, 1995.

SECTION .0300 - STUDENTS

.0301 ADMISSION TO COLLEGES

(a) Each college shall maintain an open-door admission policy to all applicants who are high school graduates or who are at least 18 years of age. Student admission processing and placement determination shall be performed by the officials of each college. Admission requirements for an emancipated minor shall be the same as for an applicant 18 years old or older. Provisions with respect to admission of minors are set forth in Rule .0305 of this Section.

(b) Boards of trustees may adopt policies regulating admission and graduation of students enrolled in courses mandated under G.S. 17C, North Carolina Criminal Justice Education and Training Standards Commission, or G.S. 17E, North Carolina Sheriffs Education and Training Standards Commission. These policies may limit enrollment to law enforcement officers or persons sponsored by law enforcement agencies and may require a student to maintain sponsorship by a law enforcement agency until completion of the program. Policies adopted pursuant to this Paragraph shall be published and made available to students and prospective students.

History Note: Authority G.S. 7A-717 through 7A-726; 115D-1; 115D-5; 115D-20;
Eff. February 1, 1976;
Amended Eff. January 1, 1996; September 1, 1993; January 1, 1987; May 1, 1982.

.0302 LOW STUDENT TUITION AND FEES

.0303 WORK-STUDY PROGRAM UNDER THE VOCATIONAL EDUCATION ACT

History Note: Authority G.S. 115D-1; 115D-5; P.L. 90-576; P.L. 94-482; N.C. Constitution, Article IX;
Eff. February 1, 1976;
Readopted Eff. January 5, 1978;
Amended Eff. December 1, 1984;
Repealed Eff. September 1, 1993.

.0304 STUDENT LOAN FUNDS FOR VOCATIONAL AND TECHNICAL EDUCATION

(a) The loan fund shall be held by the State Board and released by the System President of the Department of Community Colleges to meet loan commitments made by the various institutions.

(b) The Department of Community Colleges shall disseminate information concerning the Student Loan Fund to all chief administrative officers of technical institutes and community colleges, hereinafter referred to as institutions. The Department of Community Colleges shall prepare news releases, brochures, and other publications interpreting the student loan program.

(c) Applicants for the loans shall be furnished copies of the governing rules adopted by the board. Recipients of loans, by virtue

of having complied with all the requirements for receiving aid, shall thereby be acknowledging their agreement to abide by the purpose of the fund and the rules prescribed by the board. Each institution is responsible for administering the fund and for making and collecting the loans. Periodically, as determined by the System President of the Department of Community Colleges and the State Board, collections on the loans shall be transmitted to the State Board. The institution, through a student loan committee, shall be responsible for the selection of those candidates to be recipients of student loans.

(d) The System President of the Department of Community Colleges shall request institutions to furnish his office with appropriate enrollment verification that recipients of student loans are full-time students, and other necessary reports and information for proper records and control of total program.

(e) The State Board shall have authority to revoke any loan if and when it should be determined that:

(1) The information submitted in support of the application was willfully reported erroneously or incompletely; or

(2) The student is not pursuing his work satisfactorily.

(f) It shall be the responsibility of the loan recipients to keep the chief administrative officers of institutions informed of any change in address, status, or employment.

(g) Recipients of student loans may be granted financial assistance of not more than three hundred dollars ($300.00) per academic school year. The number of loans shall be determined by the demand and the availability of funds.

(h) Recipients of student loans shall execute promissory notes on forms approved by the Attorney General. All student loans shall be evidenced by said notes, approved by and made payable to the institution granting the loan, which shall bear interest at the rate of three and one-half percent per annum. Repayment of such principal together with accrued interest thereon, shall be made over a minimum of five-year repayment period, commencing one year after the maker of the note ceases to be a full-time student in an institution and ending six years after such date. Interest shall accrue from the beginning of such repayment period. In the event the loan recipient acquires a disability as defined in the North Carolina Workers' Compensation Act, or dies, the unpaid indebtedness shall be canceled. In the event a loan recipient fails to maintain a "c" average or permanently withdraws from the institution, the entire indebtedness shall become due payable, with interest commencing on that date.

(i) Each candidate for a loan must:

(1) be a resident of North Carolina and be or expect to be a full-time student of the approved institution as defined by the State Department of Community Colleges;

(2) declare that he is in need of financial aid to continue his studies as evidenced by information on furnished forms;

(3) apply on forms provided by the State Department of Community Colleges;

(4) be approved by the institution student loan committee;

(5) use the proceeds of the loan only for the payment of tuition and required fees, institutional equipment, materials, and books, board and room, and similar living expenses.

(j) Applications shall be submitted to the chief administrative officers of institutions on forms prescribed and supplied by the System President of the Department of Community Colleges. Additional forms essential to the operation of the Student Loan Fund may be developed in the discretion of the System President of the Department of Community Colleges.

History Note: *Authority G.S. 115D-1; 115D-5;*
Eff. February 1, 1976;
Readopted Eff. January 5, 1978;
Amended Eff. March 1, 1997; December 1, 1984.

.0305 EDUCATION SERVICES FOR MINORS

(a) The State Board shall encourage individuals to complete high school before seeking admission to a college.

(b) A minor, 16 years old or older, may be considered a student with special needs and may be admitted to an appropriate program at a college if the local public or private educational agency determines that admission to the program is the best educational option for the student and the admission of such student to the program is approved by the college. This requirement may be waived if the student has been out of school at least six months and the application is supported by a notarized petition of the student's parent, legal guardian, or other person or agency having legal custody and control. The petition shall certify the student's residence, date of birth, date of leaving school, and the petitioner's legal relationship to the student.

(c) A high school student, 16 years old or older, based upon policies approved by the local public or private board of education and board of trustees, may be admitted to appropriate courses, except adult high school, concurrently under the following conditions:

(1) Upon recommendation of the chief administrative school officer and approval of the president of the college;

(2) Upon approval of the student's program by the principal of the school and the president of the college; and

(3) Upon certification by the principal that the student is taking the equivalent of one-half of a full-time schedule and is making appropriate progress toward graduation.

(d) High school students, taking courses pursuant to Paragraphs (b) and (c) of this Rule, shall not displace adults but may be admitted any semester on a space-available basis to any curriculum or continuing education course. Once admitted, they shall be treated the same as all other students.

(e) Local boards of trustees and local school boards may establish cooperative programs in areas they serve in order to provide college courses to qualified high school students. College credits shall be awarded to those high school students upon successful completion of the courses. Cooperative programs shall be approved, prior to implementation, by the State Board or its designee.

(f) Except as authorized by G.S. 115D-20(4), colleges shall not start classes, offer summer school courses, or offer regular high school courses for high school students.

(g) A college may make available to persons of any age non-credit, non-remedial, enrichment courses during the summer period. These courses shall be self-supporting and shall not earn credit toward a diploma, certificate, or degree at the college or high school.

(h) At the request of the director of a training school having custody of juveniles committed to the Division of Youth Services, Department of Human Resources, a college may make available to such juveniles any course offered by that college if they meet the course admission requirements. The director's request shall include the director's approval for each juvenile to enroll in the course. Courses made available to such juveniles shall follow the approval process for immured groups as set forth in 23 NCAC 2E .0403.

History Note: *Authority G.S. 115D-1; 115D-5; 115D-20; S.L. 1995, c. 625;*
Eff. January 1, 1987;
Amended Eff. September 1, 1993;
Temporary Amendment Eff. June 1, 1997;
Amended Eff. July 1, 1998.

.0306 COMMUNITY COLLEGE CLOSURE: TEACH-OUT PLAN AND RECORDS PRESERVATION

(a) Any community college which closes shall inform each student and each applicant of its pending closure at least 90 days prior to closure.

(b) Prior to closure, college officials shall help students identify equivalent programs and provide assistance in transferring to other community colleges. A student who is displaced due to a community college closing may transfer to any other community college which offers the student's program without loss of credits or quality points. Community colleges shall give priority admission and placement to transfer students who have been displaced due to a community college closing.

(c) Before closing, the college shall file a copy of all student permanent academic and financial aid records with the Department of Cultural Resources in accordance with the records retention process.

History Note: *Authority G.S. 115D-5; P.L. 102-325;*
Eff. December 1, 1995.

.0307 DRIVERS ELIGIBILITY CERTIFICATE

(a) Local Boards of Trustees shall be responsible for the issuance of driving eligibility certificates, the timely reporting of dropouts and students unable to make adequate progress toward graduation, and the provision of grievance procedures associated with the issuance of driving eligibility certificates. Local Boards of Trustees shall provide a program which meets the following requirements:

(1) The president or the president s designee shall issue a driving eligibility certificate if it is determined that:

(A) The student seeking the certificate is currently enrolled in a basic skills program and is making progress toward obtaining a high school diploma or its equivalent. "Making progress toward obtaining a high school diploma" for a person enrolled in a community college basic skills program is defined as:

(i) Attending a basic skills class a minimum of 60 hours per month for a period of six consecutive months; and

(I) Demonstrating progress in GED at the end of each six month period by passing a minimum of two GED tests with a score of 40 or higher.

(II) Demonstrating progress in Adult High School at the end of each six month period by passing a

minimum of two Adult High School units.

(III) Demonstrating progress in Adult Basic Education or English as a Second Language at the end of each six month period by one of the following: increase scores on each subsequent standardized test or make progress as documented by teacher assessment.

(ii) If a student does not meet the criteria for making progress and attendance during any month, the president or the president s designee shall notify the Division of Motor Vehicles the following month that the student no longer meets the requirements for the driving eligibility certificate.

(B) A substantial hardship would be placed on the person seeking the certificate or the person s family if the person does not receive the certificate. Examples of a substantial hardship include:

(i) A parent's inability to drive due to sickness or other impairment and the student is the only person of driving age in the household.

(ii) The student requires transportation to and from a job that is necessary to the welfare of his family and is unable by any other means to do so.

(C) The person seeking the certificate cannot make progress toward obtaining a high school diploma or its equivalent. The president or the president's designee shall determine, along with input from other basic skills staff, if a student is unable to make progress toward obtaining a high school diploma or its equivalent.

(b) Any person denied a driving eligibility certificate may appeal that decision through the college's student grievance procedure.

(c) The president or the president's designee shall notify the Division of Motor Vehicles when a student is no longer making progress as determined in this Rule or when a student officially drops out of school. The president's designee shall be the Basic Skills Director.

History Note: *Authority S.L. 1997, c. 507, s. 4 and 6;*
Temporary Adoption Eff. August 21, 1998.

SECTION .0400 - LIBRARIES AND LEARNING RESOURCE CENTERS

.0401 STANDARDS
.0402 CLASSIFICATION SYSTEM

History Note: *Statutory Authority G.S. 115D-5; 115D-20;*
Eff. February 1, 1976;
Readopted Eff. January 5, 1978;
Amended Eff. November 1, 1983;
Repealed Eff. September 1, 1993.

.0403 SURPLUS AND IRREPARABLE BOOKS AND BOOK-LIKE MEDIA

Books and book-like media originally purchased from state or federal funds, when they are no longer desired by an institution shall be de-accessioned at the institution. These materials may be disposed of by the institution through a local sale; through donations to non-profit, tax-exempt organizations or tax-supported agencies or institutions; through public bid sale by the State Surplus Property Agency; or by using other procedures prescribed by the Department. Records and receipts of each sale shall be maintained for auditing purposes.

History Note: *Statutory Authority G.S. 115D-5; 115D-31;*
Eff. February 1, 1976;
Readopted Eff. January 5, 1978;
Amended Eff. November 1, 1983.

SECTION .0500 - EQUIPMENT

.0501 EQUIPMENT PURCHASES

In order to make the best use of available state appropriations for the acquisition of equipment, to assure each college of its fair share of equipment funds, to achieve full utilization of all idle equipment in the system before similar equipment is purchased for any college, and to arrange for the most effective administration of the equipment program, the following criteria are adopted:

(1) Equipment (other than purchases from capital improvement funds), library books, and book-like materials provided each college are purchased by funds from the appropriate Budget Code.

(2) Equipment and library collections for each college will be provided by its annual equipment and library book budgets. The funds allocated each college for equipment and for library collections will be determined by the Department using the "equipment formula" and the "library book formula" and will be submitted to the State Board for approval.

(3) The board of trustees and the president are responsible for managing and administering the funds provided for equipment and library collections to ensure that the college has the proper equipment and the library collection needed to support the authorized curricula and courses.

(4) Title to administrative and instructional equipment purchased with state-allocated funds is held by the State Board and will become a part of the community college system equipment inventory. Such equipment will be eligible for transfer to other colleges.

History Note: *Statutory Authority G.S. 115D-5; 115D-31; 115D-54;*
Eff. February 1, 1976;
Amended Eff. September 1, 1993; December 1, 1984; July 15, 1978; September 30, 1977.

.0502 SURPLUS PROPERTY

The State Board hereby delegates to the local governing boards of the respective colleges the power to dispose of personal property to which the governing boards of the colleges hold legal titles as prescribed by law.

History Note: *Statutory Authority G.S. 115D-5; 115D-14; 115D-54;*
Eff. February 1, 1976;
Readopted Eff. January 5, 1978;
Amended Eff. September 1, 1993; December 1, 1984.

.0503 DONATED PROPERTY

(a) A board of trustees may accept property donated to the college for any lawful educational purpose that is consistent with the mission and purpose of the community college system.

(b) Prior to a board of trustees accepting any property that restricts the use of funds derived from the sale or lease of the property, the college shall submit to the Department a copy of the document transferring the property for review and approval.

(c) Any funds derived from the sale or lease of property donated to a college for a specific educational purpose shall be used to accomplish that purpose.

History Note: *Authority G.S. 115D-15;*
Temporary Adoption Eff. October 21, 1998;
Amended Eff. August 1, 2000.

.0504 ACQUISITION OF EQUIPMENT

(a) Boards of trustees may use state funds to support lease purchase and installment purchase contracts to acquire equipment. Contracts that exceed one hundred thousand dollars ($100,000) or a three-year term shall meet the following conditions:

(1) Prior to obligating any state funds, the State Board shall approve each lease purchase or installment purchase contract.

(2) Prior to submitting a lease purchase or installment purchase contract to the State Board for approval, the college board of trustees shall have approved the contract.

(b) A board of trustees shall not have in effect at any one time more than five state-funded contracts which are permitted under this rule.

(c) The Department shall make an annual report to the State Board on system-wide use of state-funded lease purchase and installment purchase contracts exceeding one hundred thousand dollars ($100,000) or three-year terms. The report shall include the amount of state funds obligated for the next fiscal year.

History Note: *Authority G.S. 115D-58.5(b); 115D-58.15;*
Temporary Adoption Eff. October 21, 1998;
Amended Eff. August 1, 2000.

.0505 NONCERTIFIED SOURCE PURCHASES

(a) Community colleges and the Center for Applied Textile Technology may purchase the same supplies, equipment, and materials from noncertified sources as provided in G.S. 115D-58.5 (b).

(b) Each college or center shall submit to the Department a semi-annual report showing the number of purchases made from noncertified sources for supplies, equipment, or materials; the amount of funds expended for each purchase; and the amount of funds that would have been expended under state contract.

(c) The Department shall monitor the use of noncertified source purchases and shall make an annual report to the State Board. The report shall include the number of noncertified source purchases made by the colleges and the Center for Applied Textile Technology and the amount of funds expended.

History Note: *Authority G.S. 115D-5; 115D-20; 115D-58.14;*
Temporary Adoption Eff. October 21, 1998;
Amended Eff. August 1, 2000.

SECTION .0600 - COLLEGE EVALUATION

.0601 USE OF STANDARDS AND EVALUATIVE CRITERIA (NEW PROGRAMS)

History Note: *Authority G.S. 115A-1; 115A-5;*
Eff. February 1, 1976;
Amended Eff. September 30, 1977;
Repealed Eff. July 1, 1980.

.0602 STATE ACCREDITATION OF INSTITUTIONS

History Note: *Authority G.S. 115A-5; 115A-9;*
Eff. February 1, 1976;
Readopted Eff. January 5, 1978;
Repealed Eff. July 1, 1980.

.0603 ACCREDITATION BY THE SOUTHERN ASSOCIATION

All colleges shall obtain and maintain regional accreditation by the Southern Association of Colleges and Schools. The System President, when requested, will provide assistance to colleges seeking regional accreditation.

History Note: *Authority G.S. 115D-1; 115D-5;*
Eff. February 1, 1976;
Readopted Eff. January 5, 1978;
Amended Eff. September 1, 1993; December 1, 1984; July 1, 1980.

.0604 PROGRAM REVIEW

Editor s Note: Substance of this Rule is contained in 23 NCAC 2E .0205.

History Note: *Authority G.S. 115D-5; 1993 S.L. c. 321, s. 109;*
Eff. February 1, 1990;
Amended Eff. August 1, 1995; September 1, 1993;
Temporary Repeal Eff. June 1, 1997;

Repealed Eff. July 1, 1998.

SECTION .0700 - CIVIL RIGHTS

.0701 CIVIL RIGHTS

(a) The colleges shall comply with the provisions of the Civil Rights Act of 1964 and other acts banning discrimination because of race, national origin, color, religion, sex, disability, age or political affiliation.

(b) Compliance Forms. All colleges shall maintain up-to-date compliance forms for the 1964 Civil Rights Act, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, and Title IX of the Education Amendments of 1972.

History Note: *Authority G.S. 115D-5; P.L. 88-352, as amended; P.L. 92-318; P.L. 93-608; P.L. 95-555; P.L. 101-336; P.L. 102-166; S.L. 1995, c. 625;*
Eff. February 1, 1976;
Readopted Eff. January 5, 1978;
Amended Eff. July 1, 1998; September 1, 1993; July 1, 1981; July 1, 1980; January 14, 1980.

.0702 EQUAL EMPLOYMENT OPPORTUNITY

The employment and assignment of all college personnel shall be solely on the basis of qualifications and without regard to race, national origin, color, religion, sex, disability, age, or political affiliation.

History Note: *Authority G.S. 115D-5; 45 C.F.R. 676.52;*
Eff. February 1, 1976;
Readopted with Change Eff. January 5, 1978;
Amended Eff. September 1, 1993; July 1, 1981.

.0703 EMPLOYMENT OF WOMEN AND MINORITIES IN ADMINISTRATIVE POSITIONS

The community colleges shall seek to employee women and minorities in administrative positions.

History Note: *Statutory Authority G.S. 115D-5; P.L. 88-352;*
Eff. February 1, 1976;
Readopted Eff. January 5, 1978;
Amended Eff. September 1, 1993; January 14, 1980.

.0704 ADOPTION OF DESEGREGATION PLAN
.0705 PROCEDURES FOR PROVIDING DESEGREGATION IMPACT INFORMATION

History Note: *Statutory Authority G.S. 115D-5; P.L. 88-352;*
Eff. February 1, 1976;
Readopted Eff. January 5, 1978;
Amended Eff. December 1, 1984; July 1, 1981; February 3, 1978;
Repealed Eff. September 1, 1993.

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SUBCHAPTER 2D - COMMUNITY COLLEGES: FISCAL AFFAIRS

Editor's Note: Upon review by our staff of the history files for this Subchapter, we have discovered that numbering errors in filing during 1976 and 1977 have resulted in improper publication in the Code. Upon request for certified copies of rules within this Section, only the correct rule will be certified and, in order to insure clarification, all related materials and forms will be attached.

SECTION .0100 - SALARIES

.0101 ESTABLISHING PAY RATES

(a) The monthly and annual salaries or hourly rates of pay from state funds for full-time and part-time personnel in community colleges shall be established by the president of the college with the approval of the board of trustees within the budget approved for the college by the State Board and in accordance with the regulations approved by the State Board, except that the state-funded portion of the salary of the president of a college shall be approved by the System President in accordance with the state salary schedule for presidents. Salary increases shall be granted annually or upon promotion to a higher position. Legislative increases shall be granted according to requirements set forth by the General Assembly. The State Board shall adopt a minimum and maximum amount of state funds which may be paid to any individual working in a college. Individuals shall be paid between the minimum and maximum amounts at a level determined by the salary approving authority at the college.

(b) All hourly, monthly, and annual salaries for full-time or part-time personnel shall be certified by the president of the college and reported to the Department.

(c) The State Board shall adopt a state salary schedule for presidents in the system. The System President shall determine the proper placement of a newly-hired president on the state salary schedule based on the size of the college and the individual's years of experience as a college president in accordance with the following provisions:

(1) College size as determined by the total FTE served and reported in the enrollment reports furnished the Department.

(2) Number of years of experience as a college president:

(A) Initial placement will allow credit for only 10 years of experience; and

(B) Progression from the minimum or "0" step to the midpoint or step "10" shall be based on additional years of experience;

(C) Advancement toward grade maximum after attaining the midpoint of the grade shall be based on merit increases as recommended by the local boards and within state allocations available;

(D) Newly-hired presidents will not receive salary increments for any years in which a salary freeze was in effect for community college presidents;

(3) Changes in grade levels:

(A) Presidents with 0 to 10 years of presidential experience moving to another grade shall be placed in the new grade's range at the current experience level; and

(B) Presidents with greater than 10 years of experience moving to another grade will receive a salary adjustment only if the current salary exceeds the new salary grade's maximum salary limit, in which case, the salary will be adjusted to the maximum of the new grade;

(4) Total salary compensation from all sources shall not exceed the maximum for the salary grade as determined by the college's size. Salary compensation is defined as those monies paid from whatever source for which no documentation or expense is required, or which is treated as salary for retirement benefit purposes;

(5) An interim president's salary will be set at the step of the salary grade for the respective college. Years of presidential experience will be awarded up to 10 years for placement on the appropriate step;

(6) Presidential salary grades shall reflect the following:

FTE MinimumMidpoint Maximum

These data shall be increased annually based on legislative action and reviewed no less than every three years to assure their continued national competitiveness.

History Note: *Authority G.S. 115D-5; 115D-54;*
Eff. February 1, 1976;
Amended Eff. September 1, 1993; December 1, 1989; July 1, 1984; August 1, 1981.

.0102 SALARY SCHEDULES

History Note: *Authority G.S. 115A-1; 115A-5; 115A-29; 115D-1; 115D-5; 115D-47;*
Eff. February 1, 1976;
Amended Eff. July 1, 1980; October 31, 1978; July 24, 1978; September 30, 1977;
Repealed Eff. July 1, 1981.

.0103 EDUCATIONAL LEAVE WITH PAY

(a) The term "educational leave" refers to the release from duties or time normally required of a full-time employee in carrying out the full load of responsibilities assigned to further his education.

(b) Each local board of trustees shall adopt an educational leave policy for employees. State funds may be used to pay employee salaries while they are on educational leave if the following criteria are incorporated in the local board of trustees' policy:

(1) The employee is employed full-time on a 9-, 10-, 11-, or 12-month basis.

(2) The employee shall be under contract to the college for the next fiscal year.

(3) Educational leave shall not exceed one semester per fiscal year.

(4) An employee who fails to honor the contract stipulated in Subparagraph (b)(2) of this Rule shall be required to repay the amount expended for the educational leave. If the employee fulfills a portion of the contract before failing to honor the contract, repayment shall be based on a pro-rata portion (e.g., if an employee works 4 months of a 12-month contract, a repayment of 66.7 percent of the educational leave would be required).

History Note: *Authority G.S. 115D-5; 115D-20; 115D-31; S.L. 1995, c. 625;*
Eff. February 1, 1976;
Amended Eff. September 1, 1993; August 17, 1981; January 6, 1978;
Temporary Amendment Eff. June 1, 1997;
Amended Eff. July 1, 1998.

.0104 MILITARY LEAVE

(a) The rules concerning military leave, codified as Title 25, Subchapter 1E, Section .0800, are hereby incorporated by reference including any subsequent amendments and editions of these rules to apply to community college system employees.

(b) Copies of 25 NCAC, Subchapter 1E, Section .0800 may be inspected in or obtained, at no cost, from the Office of the System President, Department of Community Colleges, 200 West Jones Street, Raleigh, North Carolina, 27603-1379.

History Note: *Authority G.S. 115D-5; 127A-116; 150B-21.6;*

Eff. February 1, 1976;
Amended Eff. March 1, 1997; September 1, 1993; August 17, 1981.

.0105 ANNUAL: SICK: MATERNITY: AND FUNERAL LEAVE AND HOLIDAYS

History Note: *Authority G.S. 115D-5;*
Eff. July 1, 1977;
Amended Eff. August 17, 1981; September 30, 1977;
Repealed Eff. September 1, 1993.

.0106 AUDITING SALARY PAYMENTS

History Note: *Authority G.S. 115A-5; 115A-32;*
Eff. February 1, 1976;
Repealed Eff. January 6, 1978.

.0107 CONFERENCE: WORKSHOP: INSTITUTE OR SEMINAR EXPENSES

History Note: *Authority G.S. 115A-5;*
Eff. February 1, 1976;
Repealed Eff. September 30, 1977.

.0108 RE-EMPLOYMENT OF RETIRED PERSONS

Retired persons may be re-employed in accordance with social security regulations, and policies regulating the State Employees' Retirement System.

History Note: *Authority G.S. 115D-5; 115D-22;*
Eff. February 1, 1976.

.0109 LONGEVITY PAY PLAN FOR COLLEGE PERSONNEL

(a) Employees of institutions in the community college system assigned to permanent full-time or permanent part-time positions shall receive longevity pay if the employees meet the requirements of total qualifying service set forth in this Rule.

(b) Total service for the longevity pay plan is based on a month-for-month computation of permanent full-time and permanent part-time (20 hours or more, but less than full-time) employment with:

(1) an institution in the community college system or a school administrative unit regardless of the source of salary and including state, local or other paid employment.
  (A) Employment for a school year is equivalent to one full calendar year (credit for a partial year is given on a month-for-month basis).
  (B) In no event will an employee earn more than a year of total service credit in a 12-month period.
  (C) If an employee is in pay status (working, exhausting vacation or sick leave, or when on workers' compensation leave or is on authorized military leave) for one-half or more of the regularly scheduled workdays in a month, credit shall be given for the entire month.
(2) departments, agencies, and institutions of the State of North Carolina, (e.g., State Department of Administration, State Revenue Department, University of North Carolina, State Department of Community Colleges, State Department of Public Instruction).
(3) other governmental units which are now agencies of the State of North Carolina (e.g., county highway maintenance forces, War Manpower Commission, judicial system).
(4) county agricultural extension service.
(5) local mental health, public health, social services or civil preparedness agencies in North Carolina, if such employment is subject to the State Personnel Act.
(6) authorized military leave.
  (A) Credit for military leave is granted only for persons who were employees of the State of North Carolina or other agencies listed in Paragraph (b) of this Rule who were granted leave without pay:

(i) for a period of involuntary service plus 90 days or for a period of voluntary enlistment for up to four years, plus 90 days, so long as they returned to employment in a covered agency within the 90 days; or

(ii) for a period of active duty for service, alerts, or required annual training while in the National Guard or in a military reserve program.

(B) Employees who enlist for more than four years or who re-enlist shall not be eligible for military leave.

(C) Employees hospitalized for a service-connected disability or injury shall be granted additional leave without pay for the period of hospitalization plus 90 days or for 12 months, whichever is shorter. The hospitalization must commence before reinstatement into qualifying service for the provisions of this part to apply.

(c) Total service for the longevity pay plan does not include:

(1) Temporary service, that is, service by an employee who works in a temporary position, or who is working temporarily in the absence of a permanent employee on leave of absence, except that temporary service of employees of the General Assembly will be counted and the full legislative terms of the members. Service of legislative interns and pages will not be counted.

(2) Periods of out-of-state employment with other states, schools, colleges or universities.

(3) Periods of employment with agencies of the federal government.

(4) Periods of military service other than those categories described in Subparagraph (b) (6) of this Rule.

(5) Periods of employment for employers other than the State of North Carolina even though credit in the North Carolina retirement system has been purchased for such employment.

(d) An employee assigned to a permanent full-time or permanent part-time position is eligible for longevity pay only after the date the employee has completed ten years of total service with a community college, a school administrative unit or an agency.

(e) Annual longevity pay amounts are based on the length of total service to agencies, community colleges, and school administrative units as designated in Paragraph (b) of this Rule and a percentage of the employee's annual rate of pay on the date of eligibility.

(1) Longevity pay amounts are computed by multiplying the employee's annual base or contract salary rate as of the eligibility date by the appropriate percentage, rounded to the nearest dollar, in accordance with the following table:

Years of Total State Service	Longevity Pay Rate
10 but less than 15 years	1.50%
15 but less than 20 years	2.25%
20 but less than 25 years	3.25%
25 or more years	4.50%

(2) Longevity pay is not considered a part of annual base or contract pay nor is it to be represented in personnel and payroll records as a part of annual base or contract salary. (Salary increases effective on the same date as the longevity eligibility date shall be incorporated in the base pay before computing longevity).

(f) The payment of longevity pay to eligible employees is automatic. Payment shall be made in a lump sum, subject to all statutory deductions, during the monthly pay period in which the employee has satisfied all eligibility requirements.

(1) Eligible employees on worker's compensation leave shall receive longevity payment in the same manner as if they were working.

(2) If an employee retires, resigns, dies, or is otherwise separated on or after the date of becoming eligible for a longevity payment, the full payment shall be made to the employee or to the estate of the employee in case of death.

(3) If, on the effective date of this policy, an employee has completed the qualifying length of service but is between eligibility dates, longevity payment will be made on the next longevity anniversary date.

(4) If the employee has worked part but not all of one year since qualifying for longevity payment, the employee shall receive a pro-rata payment in the event of:

(A) separation from the institution;

(B) change in employment status to temporary part-time, or to a position not covered in this policy.

(5) If an employee separates from a community college and receives a partial longevity payment and is employed by another community college, school administrative unit, or state agency, the balance of the longevity payment

shall be made upon completion of additional service totaling 12 months for an employee having a 12-month period of employment, or upon completion of a lesser term for an eligible employee on less than a 12-month period of employment. The balance due is computed on the annual or contract salary being paid at the completion of the requirement.

(6) If an eligible employee at the time of separation has a fraction of a year toward the next higher percentage rate, payment shall be based on the higher rate; however, the basic eligibility for longevity requirement must have been satisfied before this provision can apply.

(7) Leave without pay in excess of one-half the work days in a month (with the exception of authorized military leave and worker's compensation leave) will delay the longevity anniversary date on a month-for-month basis.

(g) Longevity pay shall be made from the same source of funds and in the same pro-rata amounts from which the employee's regular annual salary is paid (e.g. state, federal, local funds).

(1) Local trustees may provide longevity payments to employees from other than state allotted funds.

(2) Only personnel employed in positions allotted by the formula in Rule 2D .0301(d) of this Subchapter shall receive longevity pay from the longevity reserve. An additional allocation will be made for this purpose.

(3) Employees in state-allotted positions paid with state-allotted funds other than regular formula allotments shall receive longevity pay from the same source of funds as their salary payment.

(4) Employees paid with the following specified funds shall receive longevity pay from these respective sources:

(A) Adult basic education funds,

(B) Human resource development funds,

(C) New industry funds,

(D) JTPA funds,

(E) Special allotment funds,

(F) Federal vocational educational funds, and

(G) Local funds.

(h) The president of each community college shall:

(1) Determine the quantity of qualifying service and the longevity anniversary date for each eligible employee.

(2) Furnish to the state board, on forms prescribed by the Department, data necessary for a determination of the cost of the longevity pay plan from state funds.

(i) The President of the Community College System shall determine the total cost of the longevity pay plan from data submitted by each community college. If funds are not adequate to pay longevity rates established under this Rule, the President of the Community College System shall submit a budget revision to the State Budget Officer requesting additional funds from other available sources within State Aid.

History Note: *Legislative Objection Lodged Eff. October 10, 1980;*
Legislative Objection Removed Eff. November 20, 1980;
Filed as an Emergency Amendment Eff. July 7, 1980 for a period of 120 days to expire on November 5, 1980;
Authority G.S. 115D-5; S.L. 1979, ch. 1137, s. 21;
Eff. September 15, 1977;
Emergency Amendment Expired Eff. November 5, 1980;
Amended Eff. June 1, 1991; August 1, 1983; July 1, 1981; November 6, 1980.

SECTION .0200 - STANDARD STUDENT FEES

.0201 AUTHORITY TO ESTABLISH TUITION AND FEES

(a) Authority to Charge. All tuition and registration fees charged to students for applying to or attending any college of the system shall be approved by the State Board. No tuition rate or fee schedule shall be charged without resolution of the State Board specifying the purpose for which the fee is charged.

(b) Time Due and Deferred Payment. Tuition, registration fees and required academic fees are due and payable at the time of the student's registration. The college shall, with approval of the board of trustees, prescribe written procedures to permit short-term deferred payment or payment in installments; provided, however, that no student shall be permitted to

graduate or to register for a new semester unless payment of such outstanding balance has been guaranteed in writing by a financially responsible person or organization. Colleges are authorized to withhold transcripts of grades pending resolution of the outstanding obligations. This statement shall not be construed to prohibit a college's local governing board from adding more stringent provisions.

(c) Establishing Additional Fees:

(1) Generic Fees. Generic fees are fees charged to a group of students, such as students in a specific program or to all students, e.g., lab fees, computer usage fees, publications fees, equipment use fees, etc. Activity and parking fees are discussed in Rule .0202(d) of this Section.

(A) In the event that the president and the governing board of a college determine that the college needs to charge a generic student fee other than the fees already authorized by state statute or State Board rule the president of the college shall file with the State Board through the System President, a request for authorization which shall include the following documentation:

(i) a resolution of the local governing board requesting authorization of the fee, stating the exact rate of payment proposed; and

(ii) a brief explanation and justification stating the purpose of the fee.

(B) A generic fee requires both local and State Board approval.

(C) Any additional fee established by a college which is approved by the State Board is considered a separate charge to curriculum students and shall not be credited as part payment of tuition.

(D) Receipts collected from any special student fee shall be deposited as State Board regulation shall direct, consistent with state law.

(E) Nothing in any rule shall be construed to condone or to authorize any practice of depositing receipts from any student tuition or student fees in a special fund account at a college, except the student activity fee receipt.

(F) Generic fees shall not be used for any purpose other than that for which the fee was approved, e.g., computer equipment could not be purchased for staff members using generic fee receipts.

(2) Specific Fees. Specific fees are those fees charged to students for items required for specific courses which are considered to be in addition to the normal supplies and materials the college would provide. Examples of supplies and materials required which the college would not normally be expected to provide would include tools, uniforms, insurance, and certification fees.

(A) Specific fees shall be approved by the college Board of Trustees. Such fees shall reflect the actual cost of items received by the student.

(B) All fees shall be deposited into a proper college account and all disbursements shall be made by the college business office.

(C) In the event that there is any question as to whether a fee is generic or specific, the guidelines for generic fees, which require both local and state board approval, are applicable.

(3) Students shall be informed of all approximate fees for a course at the time they enroll. Such fees shall be kept to a minimum consistent with the State Board philosophy to keep student costs as low as possible.

(d) Family Relocation Tuition. Community Colleges may charge in-state tuition to certain out-of-state students who are members of families that were transferred to this state by businesses, industries, or civilian families transferred by the military, for employment. Prior to enrollment, the student shall fulfill the following conditions:

(1) Demonstrate that his or her family moved to this state within the preceding 12 months;

(2) Present a letter to the institution from the employer on corporate letterhead stating that the employee, through which the student claims this benefit, relocated to this state for employment with that business, industry, or military establishment;

(3) Present proof of his or her familial relationship with the employee unless the student is the employee;

(4) Live in the same house with the employee unless the student is the employee;

(5) Present evidence that he or she is financially dependent on the employee through which he or she claims this benefit unless the student is the employee; and

(6) Comply with the requirements of the Selective Service System, if applicable.

The number of students eligible for in-state tuition under this rule at a college shall not exceed one percent of the average number of out-of-state students, rounded up to the next whole number, at the college in the academic year immediately preceding enrollment. Eligible students shall be granted this benefit on a first-come, first-serve basis.

History Note: *Authority G.S. 115D-5; 115D-39; 116-143.1; S.L. 1995, c. 625;*
Eff. February 1, 1976;
Amended Eff. September 1, 1993; September 1, 1982; August 17, 1981; January 14, 1980;
Temporary Amendment Eff. June 1, 1997;
Amended Eff. July 1, 1998.

.0202 TUITION AND FEES FOR CURRICULUM PROGRAMS

(a) Tuition:

(1) Student Residence Classification. The classification of students for tuition purposes shall be made pursuant to G.S. 116-143.1.

(2) Tuition Rates In-State:

(A) A general and uniform tuition rate is established by the State Board as set by the Legislature for full-time curriculum students per semester for North Carolina residents.

(B) A North Carolina resident who is a part-time student shall pay a per credit hour rate for curriculum instruction, as established by the State Board, for such tuition in any semester as set by the Legislature.

(3) Learning Laboratory. No tuition fees charged.

(4) Tuition Creditable Upon Transfer of Student. When a student has paid the required tuition at a college and is given permission to transfer to another college within the system during the academic semester for which the tuition was paid, the college from which the student transfers shall issue to him a statement certifying the amounts of tuition that have been paid, and the college to which he is transferring shall accept such certificate in lieu of requiring payment again. [Also, see 23 NCAC 2D.0323(b)(2) which provides information regarding reporting student hours in membership.]

(5) Tuition Student Enrolled in More Than One College. Where a student desires to enroll for the same semester at two or more colleges of the system, the total amount of tuition and fees may be paid to the student's "home" college. "Home" college is defined as the college which the student initially registers for classes. The home college shall, in that case, assume responsibility for arranging with the other college or colleges for enrolling the student in appropriate classes without further charge. Such arrangement shall be made by exchange of letters between the colleges involved. Student membership hours for instruction received shall, in any event, be reported by the college in which the respective instruction occurred.

(6) Tuition Rates Out-of-State:

(A) Any full-time curriculum student who is an out-of-state resident shall pay tuition fees as established by the State Board for each semester as set by the Legislature.

(B) An out-of-state resident who is a part-time student shall pay a per credit hour rate for curriculum instruction as established by the State Board as set by the Legislature.

(7) Tuition Exemptions:

(A) Individuals taking courses in the categories set forth in G.S. 115D-5(b) shall be exempt from tuition.

(B) College Staff Members. Full-time college staff members may enroll in one curriculum or extension course per semester, as well as the summer academic period, in the system without payment of tuition or registration fee.

(C) Basic Law Enforcement Training Program (BLET) for law enforcement officers. All law enforcement officers employed by a municipal, county, state, or federal law enforcement agency when taking courses in a state-mandated BLET training program, are exempt from tuition payment. Also, trainees may be exempt from BLET class tuition if a letter of sponsorship from an appropriate law enforcement agency is on file at the college.

(b) Pre-Enrollment Deposit. When a prospective student has made application for admission and has been accepted, the student may be required to pay an advance deposit up to a maximum of fifteen dollars ($15.00). This advance payment is not refundable unless the class(es) fails to materialize. This advance payment shall be deposited to the State Treasurer and credited against the full tuition due from the student during the regular registration period.

(c) Late Enrollment Fee. A late enrollment fee up to five dollars ($5.00) may be charged curriculum students registering after the specific closing date of registration, with such fees becoming state funds.

(d) Student Activity Fee. Colleges may establish a student activity fee which may include a parking fee or a scheduled vehicle registration fee for those students who require parking facilities. The maximum amount that may be charged for the student activity fee shall not exceed thirty-eight dollars ($38.00) per student per fiscal year. Students may be assessed

a parking fee, vehicle registration fee, or similar fee separate from the student activity fee; however, when such a fee is added to the student activity fee, the sum shall not exceed thirty-eight ($38.00) per student per fiscal year. Funds derived from collection of a student activity fee shall be accounted for and expended under standing procedures and regulations adopted by the local governing board of the college. Any expenditure from the fund must directly benefit students.

(e) Tuition Refunds.

(1) A refund shall not be made except under the following circumstances:

(A) A 100 percent refund shall be made if the student officially withdraws prior to the first day of class(es) of the academic semester as noted in the college calendar. Also, a student is eligible for a 100 percent refund if the class in which the student is officially registered fails to "make" due to insufficient enrollment.

(B) A 75 percent refund shall be made if the student officially withdraws from the class(es) prior to or on the official 10 percent point of the semester.

(C) For classes beginning at times other than the first week (seven calendar days) of the semester a 100 percent refund shall be made if the student officially withdraws from the class prior to the first class meeting. A 75 percent refund shall be made if the student officially withdraws from the class prior to or on the 10 percent point of the class.

(D) For contact hour classes, apply as Part (e)(1) of this Rule except use 10 calendar days from the first day of the class(es) as the determination date.

(2) To comply with applicable federal regulations regarding refunds, federal regulations will supersede the state refund regulations stated in this Rule.

(3) Where a student, having paid the required tuition for a semester, dies during that semester (prior to or on the last day of examinations of the college the student was attending), all tuition and fees for that semester may be refunded to the estate of the deceased.

(4) For a class(es) which the college collects receipts which are not required to be deposited into the State Treasury account, the college shall adopt appropriate local refund policies.

History Note: *Filed as a Temporary Amendment Eff. November 1, 1993 for a period of 180 days or until the permanent rule becomes effective, whichever is sooner;*
Authority G.S. 115D-5; 115D-39; 116-143.1; P.L. 93-508; S.L. 1995, c. 625;
Eff. February 1, 1976;
Amended Eff. June 1, 1994; September 1, 1993; August 1, 1988; December 1, 1984;
Temporary Amendment Eff. June 1, 1997;
Amended Eff. July 1, 1998.

.0203 FEES FOR EXTENSION PROGRAMS

(a) Registration fees for Non-Curriculum Extension Instruction. For purposes of administration of this Rule, non-curriculum extension instruction means all instruction organized, supervised, or delivered outside the regular curriculum programs offered by the college.

(1) A registration fee, as established by the State Board, as set by the Legislature shall be charged for each occupational extension class.

(2) Each local board shall establish registration fees for Community Service Programs.

(3) All recreational courses shall be self-supporting. Colleges shall collect and deposit to a local account fees and other contributions to support entirely the costs of all recreational extension courses taught. Also note Paragraph (e) of Rule .0325 of this Subchapter regarding the reporting of student membership hours for this area.

(4) A registration fee shall be charged for each extension class of 21 weeks or less. A registration fee shall be charged each 16 weeks for extension classes lasting longer than 21 weeks.

(5) Registration Fee Exemptions:

(A) Special Extension Training Programs. No registration fees shall be charged students enrolling for special extension training programs that directly relate to job performance set forth in G.S. 115D-5(b).

(B) College Staff Members. Full-time college staff members may enroll in one extension or curriculum course per semester in the system without registration fee or tuition charges.

(b) Self-Supported Classes. A college may sponsor self-supporting classes, [see 23 NCAC 2E .0101], deposit income (if any) to a local account, and pay all expenses from such local account. Each student is required to pay a pro-rata share

of the cost of a self-supporting class. Since the pro-rata share assumed is not considered a registration fee, no individual or group is exempt under G.S. 115D-5(b) from paying a proportional share of the identified cost of the class.

(c) Driver Education. Colleges shall collect a student fee as established by the local board of trustees for the adult driver education training course offered through the community service program.

(d) Registration Fee Refunds. A refund shall not be made except under the following circumstances:

(1) A student who officially withdraws from an extension class(es) prior to the first class meeting shall be eligible for a 100 percent refund. Also, a student is eligible for a 100 percent refund if an applicable class fails to "make" due to insufficient enrollment.

(2) After the respective class begins, a 75 percent refund shall be made upon the request of the student if the student officially withdraws from the class prior to or on the 10 percent point of the scheduled hours of the class. Note: This Rule is applicable regardless of the number of times the class meets or the number of hours the class is scheduled to meet.

(3) For contact hour classes, apply Subparagraphs (d)(1) and (d)(2) of this Rule except use 10 calendar days from the first day of the class(es) as the determination date.

(4) For a class(es) which the college collects receipts which are not required to be deposited into the State Treasury account, the college shall adopt appropriate local refund policies.

(5) If a student, having paid the required registration fee for a semester, dies during that semester (prior to or on the last day of examinations of the college the student was attending), all registration fees for that semester may be refunded to the estate of the deceased.

History Note: *Filed as a Temporary Amendment Eff. November 1, 1993 for a period of 180 days or until the permanent rule becomes effective, whichever is sooner;*
Authority G.S. 115D-5; 115D-39; S.L. 1995, c. 625;
Eff. February 1, 1976;
Amended Eff. June 1, 1994; September 1, 1993; August 1, 1983; August 17, 1981.
Temporary Amendment Eff. June 1, 1997;
Amended Eff. July 1, 1998.

.0204 OTHER FEES

(a) Equipment Fees. A local equipment fee may be established, not to exceed the fee charged high school students, in cases where high school buildings and equipment are being used; such fees shall be deposited in the college's local account and paid to the local school unit.

(b) Damage or Breakage Fees. Colleges shall charge no breakage fees, property-damage fee, or laboratory fee to students, except in the case of breakage or damage due to gross negligence or maliciousness. Credit may be withheld until proper payment is made.

(c) Library Fines. All library fines, except book-replacement fines, shall become local funds and be used for improvement of the library.

(d) General Educational Development (GED) Fee. All applicants who take the GED test at official GED Testing Centers in the system are required to pay a seven dollar and fifty cent ($7.50) fee. This fee shall not be required from individuals incarcerated or receiving treatment in institutions operated by the Department of Correction and the Department of Human Resources.

History Note: *Authority G.S. 115D-5; 115D-39; S.L. 1979, Ch. 1300;*
Eff. February 1, 1976;
Amended Eff. September 1, 1993; September 1, 1988; August 17, 1981.

.0205 DEPOSIT OF FEES

All registration, tuition, and instructional fees and book replacement fines shall become state funds when collected and must be deposited to the credit of the State Treasurer, except as permitted by any other applicable rule.

History Note: *Authority G.S. 115D-5; 115D-39; 115D-58.9;*
Eff. February 1, 1976;
Amended Eff. September 1, 1993; August 17, 1981.

SECTION .0300 - BUDGETING: ACCOUNTING: FISCAL MANAGEMENT

.0301 OPERATING BUDGET REQUESTS: DISTRIBUTION OF FUNDS

(a) Projections of full-time equivalent (FTE) students shall be based on the following:

(1) Curriculum FTE projections shall be based on the academic year (fall and spring semesters).

(2) Continuing education FTE projections shall be based on the latest spring, summer, and fall FTE figures. Annual continuing education FTE is determined by totaling the student hours in membership for the three reporting periods and dividing by 688. Note definition of annual continuing education FTE in 23 NCAC 1A .0101(8).

(3) Projections shall be made, program by program, as stated in Subparagraphs (a)(1) and (2) of this Rule. If the actual FTE for the semesters needed are not available, the latest actual semester FTE shall be multiplied by the latest five-year retention ratio to determine the appropriate estimates. Retention ratios are FTE comparisons between Fall Semester and the Spring Semester which are used to predict FTE totals when actual figures are not available.

(4) The State Board may adjust the projections based on additional factors brought to its attention.

(5) The State Board shall adopt an official projection of FTE.

(b) Appropriation Requests:

(1) Continuation Budget Requests. The continuation budget request shall be based on the number of FTE and amount per FTE currently appropriated and increases in the continuation budget as directed by the Office of State Budget and Management. Also included in the continuation budget requests shall be continuing categorical programs. Categorical programs are educational programs funded for specific purposes such as new and expanding industry as opposed to general formula programs such as occupational extension.

(2) Expansion Budget Requests. The expansion budget request shall consist of at least the following items:

(A) an adjustment in the number of FTEs in existing programs based on the difference between the official FTE projections of the State Board and the existing level of FTEs requested in the continuation budget;

(B) an adjustment in expenditure per FTE;

(C) additional funding for new and special programs of instruction.

(c) State Board Reserve. A reserve shall be requested from the General Assembly and shall be retained by the State Board for the purpose of making later allocations for feasibility studies, pilot projects, innovative ideas, and start-up of new programs or as otherwise directed by the General Assembly.

(d) Formula distribution of funds for the current operation budget. Funds appropriated to the State Board for current operation shall be allocated to the system colleges as directed by the General Assembly.

(e) JTPA Administrative Allotment. Student class hours for class size projects funded by the Job Training Partnership Act (JTPA) shall not be included in the full-time equivalent (FTE) formula for earning budget/FTE. Administrative funds for operating these class size projects shall be allocated on the same basis as all other administrative formula funds.

History Note: *Filed as a Temporary Amendment Eff. August 25, 1988 for a period of 180 days to expire on February 20, 1989;*
Filed as an Emergency Amendment Eff. July 1, 1978 for a period of 120 days to expire on October 29, 1978;
Authority G.S. 115D-3; 115D-5; 115D-54; S.L. 1995, c. 625;
Eff. February 1, 1976;
Amended Eff. September 30, 1977;
Emergency Amendment Made Permanent Eff. July 24, 1978;
Amended Eff. September 1, 1993; April 1, 1989; June 1, 1987; July 1, 1983;
Temporary Amendment Eff. June 1, 1997;
Amended Eff. July 1, 1998.

.0302 GENERAL PROVISIONS: FORMULA ALLOTMENT OF OPERATING FUNDS

History Note: *Filed as an Emergency Amendment [(c)(4)(5) and (6)] Eff. July 1, 1978 for a period of 120 days to expire on October 29, 1978;*
Emergency Amendment Deleted by Amendment Eff. July 24, 1978;
Authority G.S. 115D-5; 115D-54;
Eff. February 1, 1976;
Amended Eff. December 1, 1984; July 1, 1981; July 24, 1978; September 30, 1977;
Repealed Eff. September 1, 1993.

.0303 DISBURSEMENT OF STATE FUNDS

State funds expended by the colleges shall be disbursed through a disbursing account established for each college with the State Treasurer. The signature of persons authorized to sign vouchers issued on state funds shall be maintained on file with the State Treasurer and the State Board. The State Treasurer will furnish signature cards for this purpose.

History Note: *Authority G.S. 115D-58.3;*

Eff. February 1, 1976;
Amended Eff. September 1, 1993; December 1, 1984; August 17, 1981.

.0304 EXPENDITURES OF STATE FUNDS: ACCREDITATION EXPENSES & DUES

(a) Accreditation expenses relative to Southern Association of Colleges and Schools may be paid from state funds within the institution's current allotment. These expenses shall be limited to payment of travel, subsistence, lodging, and honorarium incurred by members of visiting committees, other bona fide representatives, and members of the staff of accrediting organizations. This Rule permits payment of only those expenses for which an institution is customarily invoiced by an accrediting organization following a visit.

(b) The institution may pay from state funds the required annual dues of the Southern Association of Colleges and Schools, and such institutional association membership dues as the board of trustees deems to benefit the institution. Regarding membership dues in the Southern Association, this Rule applies to annual dues of correspondents and candidates for membership, as well as accredited members.

(c) The institution may also pay from state funds the fees for accrediting individual programs offered by the institution where such an accreditation is an official prerequisite for the licensing of graduates of such programs by legally designated professional or occupational licensing boards or agencies in the State of North Carolina. State funds may not be used to pay the accreditation costs of any other organizations or agencies.

History Note: *Authority G.S. 115D-5; 115D-55;*
Eff. February 1, 1976;
Amended Eff. August 1, 1983; August 17, 1981; September 30, 1977.

.0305 EXPENDITURE OF STATE FUNDS: POSTAGE MACHINES

State funds may be used to rent postage machines.

History Note: *Authority G.S. 115D-5;*
Eff. February 1, 1976;
Amended Eff. September 1, 1993; August 17, 1981.

.0306 EXPENDITURE OF STATE FUNDS: GREETING CARDS

History Note: *Authority G.S. 115D-5; 115D-54;*
Eff. February 1, 1976;
Repealed Eff. September 1, 1993.

.0307 EXPENDITURE OF STATE FUNDS: CERTIFICATE COSTS

Printed certificates, diplomas, or degrees produced through printshops at the institution may be paid from state funds available for Supplies and Materials. If these certificates, diplomas, or degrees are ordered from a commercial printshop, the cost can be a part of the graduation fee charged to the student.

History Note: *Authority G.S. 115D-5; 115D-39;*
Eff. February 1, 1976;
Amended Eff. November 1, 1983; August 17, 1981.

.0308 EXPENDITURE OF STATE FUNDS: SPECIAL FUNDS

Expenditure items directly related to operations under a special fund may not be paid from state funds.

History Note: *Authority G.S. 115D-5; 115D-54;*
Eff. February 1, 1976.

.0309 EXPENDITURE OF STATE FUNDS: TRAVEL AND ALLOWANCES

Travel regulations governing travel for institutional personnel are published in section number five of the Accounting Procedures Manual published by the State Board. These Regulations can be obtained from the Department of Community Colleges, Raleigh, North Carolina.

History Note: *Filed as an Emergency Amendment Eff. September 13, 1978 for a period of 90 days to expire on December 12, 1978;*
Authority G.S. 115D-5; 115D-54;
Eff. February 1, 1976;
Amended Eff. September 30, 1977;
Emergency Amendment Made Permanent With Change Eff. December 8, 1978;
Amended Eff. August 17, 1981; July 1, 1980.

.0310 LIVE PROJECTS

(a) Live projects are defined as:

(1) educational programs in which students, as part of their educational experiences, repair or remodel equipment not owned by the college; or

(2) educational programs that produce goods that are sold or services for which charges are made, such goods or services being the normal and necessary product of learning activities of students.

(b) In the case of (a)(1) of this Rule, the owner of the equipment must supply or pay for all parts required. In the case of (a)(2) of this Rule, the following regulations apply:

(1) Where federal programs are involved, rules do not permit goods to be sold. In such programs, goods produced may be used for the benefit of the college or donated to another non-profit charitable or educational agency or institution.

(2) For live projects that involve the purchase of equipment from the state or federal surplus property agency, the repair of this equipment and its sale as surplus under the rules of the State Division of Purchase and Contract, the proceeds of such sales shall be deposited with the State Board and credited to the equipment budget of the college.

(3) In other programs that fall under the above definition of live projects:

(A) The local board of trustees shall approve rules, consistent with state laws and rules, covering the disposal of goods and services, charges made, etc.

(B) The local board of trustees shall provide that the receipts be deposited to the State Treasurer (unless a "special local" fund account arrangement has been worked out in keeping with rules of the department). Receipts deposited to the State Treasurer under this provision shall be allotted back to the college for expenditures during the same fiscal year.

(C) Where a "special local" fund arrangement is set up as provided in (b)(3)(B) of this Rule, all costs made necessary because goods or services are produced and then sold shall be paid from the "special local" account that receives the income. This includes materials used in producing the goods and services, extra personnel required to serve customers, specialized equipment that would not otherwise be required for instruction alone, and other costs directly related to a live project as distinguished from an instructional program that does not produce income. Detailed records must be maintained on the special local fund account in order that periodic financial statements may be prepared and a complete audit of the account made after the close of the fiscal year.

(D) Where a "special local" fund arrangement is set up as provided in Part (b)(3)(B) of this Rule, the local board of trustees shall adopt regulations which set forth the purposes for which funds from the special local fund [in excess of those required under Part (b)(3)(C) of this Rule] may be used. Such funds shall not be used to supplement regular salaries of permanent employees whose base salaries are paid from state or local appropriations.

(E) Approval as a Special Fund. If a project is expected to continue over an extended period of time or if the cost of providing the goods or services is difficult to trace to a particular patron, the project may be

accounted for as a "special fund". Expenses of these projects may be paid out of receipts. The approval of the Department will be required to set up projects as special funds.

(c) The clientele served in providing clinical experience for students by carrying on live projects shall be limited to students and employees in the system so far as possible. Where, however, outside clients become necessary in order to provide enough experience to carry out educational programs, clients shall be selected from the general public on the basis of standing criteria adopted and published by the college, not inconsistent with State Board rules.

(d) The above rules, except those under Subparagraph (b)(2) of this Rule, do not apply to the disposal of any state owned equipment, which must be declared surplus and sold by the State Board.

History Note: *Authority G.S. 115D-5; 115D-14; P.L. 97-300;*
Eff. February 1, 1976;
Amended Eff. September 1, 1993; August 17, 1981.

.0311 HANDLING OVERHEAD RECEIPTS AND ALLOWANCES

Funds accruing to an institution as federal allowances, including overhead allowances on federal grant projects, veteran student processing per capita allowances work study processing allowances, and similar items and similar allowances derived from private grant projects, shall be deposited in a special local fund to be used by the institution to fund special projects proposed by the institution and approved by the State President consistent with provisions set forth in the Accounting Procedures Manual.

History Note:Authority G.S. 115D-5; 115D-54;
Eff. February 1, 1976;
Amended Eff. August 17, 1981.

.0312 BOOKSTORE: VENDING MACHINE

The board of trustees of each college shall adopt local policies consistent with G.S. 115D-58.13 for the budgeting, accounting and expenditure of funds generated through vending machines and other convenience concession activities.

History Note:Authority G.S. 115D-5; 115D-58.13;
Eff. February 1, 1976;
Amended Eff. September 1, 1993; December 1, 1984; August 17, 1981.

.0313 ACQUISITION OF AUTOMATED DATA PROCESSING (ADP) RESOURCES

All requests to purchase, lease, or rent automated data processing resources (hardware, software, or services) from any public funds shall be submitted to the Department for approval.

(1) In submitting a request, the institution shall:
  (a) anticipate and document the long planning the need for ADP resources;
  (b) prepare specification and an evaluation plan for procurement selection; and
  (c) evaluate proposals and bids.

(2) During the initial phase of the approval process, the institution shall contact the department and arrange a conference in order to obtain detailed instructions which must be followed through the acquisition process.

(3) In addition the conference may also include representatives of the MIS Division of the department of Administration, the Division of Purchase and Contract, and the State Auditor. In some cases, when the acquisition cost is relatively low and/or replacements are being requested the conference may be waived at the department's option.

History Note:Authority G.S. 115D-5; 143-49;
Eff. February 1, 1976;
Amended Eff. November 1, 1983; August 17, 1981; January 6, 1978.

.0314 DISTRIBUTION OF FEDERAL VOCATIONAL EDUCATION FUNDS

Federal funds allocated to the state from the Carl D. Perkins Vocational and Applied Technology Education Act shall be distributed one-third to the community college system and two-thirds to the public school system and in accordance with the approved State Plan. In the event that the community college system or the public school system is unable to use the federal funds as provided for in this Rule as determined by the System President and the State Superintendent, the excess funds may be used by the other system as needed.

History Note: *Authority G.S. 115C-154; 115C-158; 115D-5; 115D-31; P.L. 101-392;*
Eff. February 1, 1976;
Amended Eff. September 1, 1993; August 17, 1981; January 6, 1978.

Editor's Note: As mentioned in the Editor's Note at the beginning of this Subchapter, numbering errors have been discovered in rules filed in 1976 and 1977. In particular, 23 NCAC 2D .0315 and .0316 appear to have been repealed on November 4, 1976 due to miscommunication between our office and the Department of Public Education. These Rules have been treated by the agency as still in effect since that date as evidenced by amendments as noted in the history file. Though our

office will certify these Rules as repealed, such certification will include all related materials and forms and an affidavit by the Attorney General that the rules were repealed due to administrative error rather than agency intent.

.0315 FULL-TIME EQUIVALENT STUDENT AND STUDENT HOUR REPORTING

History Note: *Authority G.S. 115A-5; 115A-29;*
Eff. February 1, 1976;
Repealed Eff. November 4, 1976.

.0316 THE FULL-TIME EQUIVALENT (FTE) SYSTEM

History Note: *Authority G.S. 115A-1; 115A-5; 115A-29;*
Eff. February 1, 1976;
Repealed Eff. November 4, 1976.

.0317 CATEGORIES OF FULL-TIME EQUIVALENTS

History Note: *Authority G.S. 115D-5; 115D-54;*
Eff. February 1, 1976;
Amended Eff. August 17, 1981;
Repealed Eff. September 1, 1993.

.0318 EQUIPMENT BUDGET REQUESTS: DISTRIBUTION OF FUNDS

The State Board shall approve budget requests and the allotment of funds to colleges for equipment upon recommendation by the Department.

History Note: *Filed as an Emergency Amendment Eff. July 1, 1978 for a period of 120 days to expire on October 29, 1978;*
Authority G.S. 115D-5; 115D-55;
Eff. February 1, 1976;
Emergency Amendment Made Permanent Eff. July 24, 1978;
Amended Eff. September 1, 1993; July 1, 1984; August 1, 1983; July 1, 1981.

.0319 ALLOTMENT PROCEDURES FOR THE HUMAN RESOURCES DEVELOPMENT

(a) The appropriation provided by the General Assembly for the support of the HRD program shall be divided into three separate and equal funds.

(1) One-third of the appropriation shall be designated the "Program Maintenance Fund." Each continuing HRD program shall receive annually one equal share of the Program Maintenance Fund.

(2) One-third of the appropriation shall be designated the "FTE Fund." Each continuing HRD program shall receive annually from this fund an amount proportionate to its share of the total HRD FTE accumulated by all participating institutions.

(3) One-third of the appropriation shall be designated the "Performance Fund." Each continuing HRD program shall receive annually from this fund an amount proportionate to its share of the sum of all positive earnback indexes accumulated by all participating institutions. Programs generating a negative earnback index shall receive no portion of the performance funds.

(b) An earnback index for each HRD program shall be computed in accordance with the following formula:

$$\frac{\left[\begin{array}{lll}\text{Aggregate} & \text{Aggregate} & \\ \text{Post-Training-3X} & \text{Post-Training} & \\ \text{Income} & \text{Public} & \\ & \text{Assistance} & \end{array}\right] - \left[\begin{array}{lll}\text{Aggregate} & \text{Aggregate} & \\ \text{Pre-Training-3X} & \text{Pre-Training} & \\ \text{Income} & \text{Public} & \\ & \text{Assistance} & \end{array}\right]}{\text{Aggregate Training Costs}}$$

(c) No continuing HRD program shall receive a funding increase or decrease of more than twenty thousand dollars ($20,000) from one year to the next. Any funds which might be earned by a program in excess of the permissible increase shall be reverted to the Performance Fund for redistribution; sufficient funds shall be added to the allotment of any program from the Performance Fund to prevent an impermissible decrease in funding.

(d) No HRD program which generates a negative earnback index for two consecutive fiscal years shall receive funding for the next year without special approval of the State Board (Refer to the HRD Program Procedures Manual available after August, 1981 for additional specific information regarding earnback and other pertinent areas).

History Note: *Authority G.S. 115D-5;*
Eff. February 1, 1976;
Amended Eff. August 17, 1981.

.0320 LIBRARY BOOK FUNDING SYSTEM AND BUDGETARY APPLICATION

The State Board shall provide allotment of funds to colleges for library books and non-equipment learning resources upon recommendation of the Department.

History Note: *Filed as an Emergency Amendment Eff. July 1, 1978 for a period of 120 days to expire on October 29, 1978;*
Authority G.S. 115D-5; 115D-31;
Eff. February 1, 1976;
Emergency Amendment Made Permanent Eff. July 24, 1978;
Amended Eff. September 1, 1993; August 1, 1983; July 1, 1981.

.0321 PAYROLL DEDUCTIONS

Colleges are authorized to establish voluntary payroll deduction plans for the following:

(1) premiums for any type of group insurance established and authorized by the laws of the state;
(2) amounts authorized by members of the State Employee's Credit Union and local teacher's credit union to be deposited with such organizations;
(3) loans made to employees by credit unions;
(4) charitable organizations as defined in Section 501(c)(3) of the Internal Revenue Code approved by the local board of trustees subject to rules and regulations adopted by the director of budget; and
(5) Payroll Savings Plan for United States Savings Bonds as authorized in G.S. 143-304.

The college's finance officer is also authorized to enter into annual contracts, with employees of the college, which authorize the reduction of salaries to provide for the purchase of annuity or retirement income contracts provided that such action has been approved by the board of trustees and otherwise conforms to the provisions of G.S. 115D-25.

History Note: *Authority G.S. 115D-5; 115D-22; 115D-25; 143-3.3; 143-304;*

Eff. February 1, 1976;
Amended Eff. August 1, 1983; August 17, 1981; January 6, 1978.

.0322 EXPENDITURE OF STATE FUNDS: EXTENSION TRAVEL: ALLOWANCES

History Note: *Filed as an Emergency Regulation Eff. April 25, 1978 for a period of 120 days to expire on August 23, 1978;*
Authority G.S. 115A-5; 115A-29;
Made Permanent Eff. July 24, 1978;
Repealed Eff. August 17, 1981.

Editor's Note: Upon researching the records supporting this Section as adopted in the former 16 NCAC 4D .0300 and transferred into the existing 23 NCAC 2D .0300, the editor has determined that the rules formerly codified in 16 NCAC 4D .0315 and .0316 were inadvertently repealed as mentioned in the Editor's Notes preceding this Subchapter and preceding Rules .0315 and .0316. Due to subsequent action of the agency, it appears that in amending a repealed rule, the agency

intended to retain the repealed provisions. As an administrative action, we are determining that the subsequent actions were as a matter of fact an adoption. Since the supporting documents speak only to amendment, any request for certification will include the Editor's Notes included in this Section as well as all other filed history records.

.0323 REPORTING OF STUDENT HOURS IN MEMBERSHIP FOR CURRICULUM CLASSES

(a) Academic Semester. The academic semester for all credit courses shall be designed so that all classes may be scheduled to include the number of instructional hours shown in the college catalog and the approved curriculum program of study compliance document and reported for FTE purposes (see Paragraph (a) of 23 NCAC 2E.0201 and Subparagraph (a)(3) of Rule .0301 of this Subchapter). Instructional hours include scheduled class and laboratory sessions as well as examination sessions. Length of semesters or courses may vary as long as credit hours are assigned consistent with 23 NCAC 1A.0101 and as long as membership hours are reported consistent with the other provisions of this Rule. Also, note 23 NCAC 2D .0327 which identifies the reporting periods for submission of Institution Class Reports.

(b) Regularly-Scheduled Classes.

(1) A class is regularly scheduled if it meets all of the following criteria:
- (A) assigned definite beginning and ending time;
- (B) specific days the class meets is predetermined;
- (C) specific schedule included on the Institution Master Schedule or other official college documents;
- (D) class hours assigned consistent with college catalog and curriculum standard requirements;
- (E) identified class time and dates the same for all students registered for the class excluding clinical or cooperative;
  - (i) Classes which have a regularly scheduled lecture section and a non-regularly scheduled laboratory section will satisfy this criteria. The census date (10% point) must be determined from the regularly scheduled portion of the class. Verification of student participation in the laboratory section of the class must be available for review.
  - (ii) A student is considered absent if that student did not attend during the specified times or days the class was scheduled to meet.

(2) A student is considered to be in class membership when the student meets all the following criteria:
- (A) enrolled as evidenced by payment of the applicable tuition and fees, or obtained a waiver as defined in G.S. 115D-5(b);
- (B) attended one or more classes prior to or on the 10 percent point in the class;
- (C) has not withdrawn or dropped the class prior to or on the 10 percent point.

(3) Student Membership Hour. A student membership hour is one hour of scheduled class or laboratory for which the student is enrolled. A college shall provide a minimum of 50 minutes of instruction for each scheduled class hour. A college must provide sufficient time between classes to accommodate students

changing classes. A college may not report more hours per student than the number of class hours scheduled in the approved curriculum program of study compliance document.

(4) Calculation of Student Membership Hours for Regularly Scheduled Classes. Student membership hours are obtained by multiplying the number of students in membership at the 10 percent point in the class by the total number of hours the class is scheduled to meet for the semester as stated in the college catalog and the approved curriculum program of study compliance document (see Subdivision (4) of 23 NCAC 2E.0204).

(5) Maintenance of Records of Student Membership Hours. Accurate attendance records shall be maintained for each class through the 10 percent point of the class. Colleges are encouraged to maintain attendance records for the duration of all classes. Attendance records shall be signed by the instructor or lead instructor, verifying their accuracy, and shall be maintained by the college until released from all audits (see the Public Records Retention & Disposition Schedule for Institutions in the Community College System). Student membership hours shall be summarized in the Institution's Class Report and certified by the president or designee. For classes identified as non-traditional delivery (see Subparagraph (e)(1) of this Rule), documentation of student contact prior to the 10 percent point shall be maintained in the same manner as the attendance records mentioned in this Rule.

(c) Non-Regularly Scheduled Classes.

(1) A non-regularly scheduled class may include any or all of the following:

(A) a class where a definitive beginning and ending time is not determined;

(B) a class offered in a learning laboratory type setting (see Subparagraph (b)(6) of Rule .0324 of this Subchapter for definition of learning laboratory);

(C) a class self-paced in that the student progresses through the instructional materials at the student's own pace, and can complete the courses as soon as the student has successfully met the educational objectives. Classes offered as independent study are generally offered in this manner;

(D) a class in which a student may enroll during the initial college registration period or in which the student may be permitted to enroll at any time during the semester;

(E) any class not meeting all criteria for a regularly scheduled class, as shown in Subparagraph (b)(1) of this Rule, is considered to be a non-regularly scheduled class for reporting purposes. Note classes defined as non-traditional (see Paragraph (e) of this Rule) which are identified as a separate student hour reporting category and are not subject to the above provisions in Paragraph (c).

(2) Definition of Student Membership. A student is considered to be in class membership when the student meets the following criteria:

(A) enrolled as evidenced by payment of the applicable tuition and fees, or obtained a waiver as defined in Paragraph (a) of Rule .0202 of this Subchapter; and

(B) attended one or more classes.

(3) Definition of a Student Contact Hour. For non-regularly scheduled classes, student contact hours are defined as actual hours of student attendance in a class or lab. Sixty minutes shall constitute an hour.

(4) Calculation of Student Contact Hours for Non-Regularly Scheduled Classes. For these classes, actual time of class attendance for each student determined to be in membership shall be reported. Student contact hours for these classes are the sum of all the hours of actual student attendance in a class in a given semester.

(5) Maintenance of Records of Student Contact Hours. Accurate attendance records shall be maintained for each class of the nature described in this Rule through the entire semester. Attendance records shall be signed by the instructor or lead instructor, verifying their accuracy, and shall be maintained by the college until released from all audits (see the Public Records Retention & Disposition Schedule for Institutions in the Community College System). Student contact hours shall be summarized in the Institution's Class Report and certified by the president or designee.

(d) Skills Laboratory or Computer Tutorial Laboratory. Individualized instructional laboratories are similar to learning laboratories (see Subparagraph (b)(6) of Rule .0324 of this Subchapter) except the participants are curriculum students. Skills labs or computer tutorial labs are remedial or developmental in nature and intended for students who are experiencing academic difficulty in a particular curriculum course. A skills laboratory instructor shall be qualified in the single-subject area of the skills laboratory. A computer tutorial laboratory coordinator need not be qualified in any of the subject area(s) provided in a computer tutorial laboratory. Student contact hours may be reported for budget/FTE when students are required by their instructor to attend either of the laboratories for remedial or developmental work and when the skills laboratory instructors or computer tutorial coordinators are paid with curriculum instructional funds.

(1) Documentation of instructor referral shall be maintained for auditing purposes. Maintain documentation until

released by audit.

(2) Homework assignments shall not be reported for budget/FTE. Note 23 NCAC 2D .0325(a).

(3) Calculation of Student Contact Hours for Skills Laboratory or Computer Tutorial Laboratory. For these classes, actual time of class attendance shall be reported; 60 minutes shall constitute an hour. Student hours generated for these types of classes are the sum of all the hours of actual student attendance in a class in a given semester.

(e) Classes Identified as Curriculum Non-Traditional Delivery.

(1) Definition. Due to the methodology by which instruction is delivered, non-traditional delivery classes are not consistent with the definitions of regularly scheduled or non-regularly scheduled classes described in this Rule. Non-traditional delivery classes are defined as those classes which are offered through media such as radio, television, and other media as well as through correspondence or newspapers. The instruction delivered is pre-structured into identifiable units. Non-traditional delivery classes do not include classes identified as independent study which are not media based or are not correspondence or newspaper based.

(2) For those classes identified as non-traditional delivery, student attendance in class or in an orientation session, submission of a written assignment or submission of an examination, is the basis for the determination of class membership at the 10 percent point of the class. Student membership hours earned in non-traditional delivery classes shall be calculated by multiplying the number of students in membership, as defined in the prior sentence, times the number of hours assigned to the class in official college documents. For these classes, the number of hours assigned shall be consistent with the credit hours assigned according to 23 NCAC 1A.0101, as well as the appropriate curriculum standard.

(3) Rule 23 NCAC 2E.0604 specifies that if two or more colleges jointly offer credit courses or programs, the colleges shall enter into a written collaborative agreement. Individual courses developed by a college or jointly by colleges and delivered via media are not subject to this rule (Collaborative Agreements) as long as a degree, diploma, or a certificate is not awarded. In this situation, the sending college shall have an approved curriculum standard and an approved Program of Study. The receiving college may offer the course by virtue of the sending college's approval.

(4) Service area agreement requirements, as set forth in Rule 23 NCAC 2C.0107, shall be adhered to when a class meets physically as a group supervised by faculty or staff outside the sending college's service area.

(5) Sharing FTE's for Non-traditional Courses Jointly Offered by Colleges:

Definitions

(A) Sending college--The college that designs, develops, and delivers the course and makes it available to students on any one or several media. Instructional cost incurred by a college for courses delivered in a non-traditional format is eligible to generate budget/FTE. Instructional cost includes salaries, fringe benefits, supplies, materials, access fees, license fees, broadcast and other directly related production costs. Students who register through the sending college are included in the college's student hour reports which generate FTE.

(B) Receiving college--The college providing physical facilities or services for students enrolled in courses originating from the sending college. The college incurs a lesser instructional cost than the sending college and is eligible to report 50 percent of the FTE generated by the students who register through the receiving college. The remaining FTE of the students registered through the receiving college may be reported by the sending college unless otherwise agreed.

(C) In situations where there are multiple sending colleges or multiple receiving colleges or both, the FTE split noted in Subdivision (e)(5)(B) of this Rule is applied.

(f) Curriculum Student Work Experience and Clinical Practice. The following criteria apply to the reporting guidelines for students enrolled in curriculum work experience and clinical practice courses, exclusive of in-plant training as specified in 23 NCAC 2E .0402. Examples of student work experience include cooperative education, practicums, and internships. Clinical practice refers to work experience in health occupation programs.

(1) Student membership hours for student work experience and clinical practice shall not generate budget/FTE without prior approval by the System Office of such activities through the appropriate curriculum standard.

(2) Work Experience. Work experience for curriculum courses shall earn budget/FTE at the 100 percent rate of assigned work experience hours and shall not exceed a maximum of 320 membership hours per student per semester.

(A) These classes shall be coordinated by college personnel paid with college instructional funds and may be located in one or more sites.

(B) These classes shall be specified in the approved curriculum of the college consistent with the applicable curriculum standard (see Paragraph (a) and Subdivision (3)(D) of 23 NCAC 2E.0204).

(C) Formal or informal apprenticeship on-the-job training activities of a cooperative skill training program funded under a special project allocation shall not earn budget/FTE. Classroom instruction funded with college regular budget instructional dollars for related or supplemental instruction as required by formal or informal apprenticeship programs shall earn budget/FTE.

(3) Clinical Practice. Curriculum clinical practice, as defined in 23 NCAC 1A.0101, refers to clinical experience in health occupation programs which shall earn budget/FTE at the 100 percent rate for student membership hours. The applicable classes shall be consistent with the curriculum standards policy as noted in Paragraph (a) of 23 NCAC 2E.0204. The maximum membership hours in a clinical experience which may be reported per student in a given semester is 640. These classes shall be supervised by college instructors who are qualified to teach in the particular program and are paid with college instructional funds. These classes may be located in one or more sites.

History Note: *Filed as an Emergency Amendment Eff. August 10, 1978 for a period of 120 days to expire on December 8, 1978;*
Authority G.S. 115D-5; S.L. 1995, c. 625;
Eff. September 30, 1977;
Amended Eff. July 24, 1978;
Emergency Amendment Made Permanent With Change Eff. December 8, 1978;
Temporary Amendment Eff. June 1, 1997;
Amended Eff. August 1, 2000; July 1, 1998; September 1, 1993; September 1, 1988.

.0324 REPORTING OF STUDENT HOURS IN MEMBERSHIP FOR EXTENSION (NON-CREDIT) CLASSES

(a) Regularly Scheduled Classes.

(1) Definition of Regularly Scheduled Class. A class is considered to be regularly scheduled if it meets all of the following criteria:

(A) assigned definite beginning and ending time;

(B) specific predetermined days and time the class meets;

(C) specific schedule included on the Institution Master Schedule or other official college documents;

(D) class hours assigned consistent with official college documents;

(E) identified class time and dates the same for all students registered for the class excluding clinical or work experience:

(i) Classes which have a regularly scheduled lecture section and a non-regularly scheduled laboratory section will satisfy the criteria. The census date (10% point) shall be determined from the regularly scheduled portion of the class. Verification of student participation in the laboratory section of the class shall be available for review.

(ii) A student is considered absent if that student did not attend during the specified times or days the class was scheduled to meet.

(2) Definition of Student Membership. A student is considered to be in class membership when the student meets all the following criteria:

(A) enrolled as evidenced by payment of the applicable registration fees, or obtained a waiver as defined in Paragraph (a) of Rule .0203 of this Subchapter;

(B) attended one or more classes held prior to or on the 10 percent point in the class; and

(C) has not withdrawn or dropped the class prior to or on the 10 percent point of the class.

(3) Student Membership Hour. A student membership hour is one hour of scheduled class or laboratory for which the student is enrolled. A college shall provide a minimum of 50 minutes of instruction for each scheduled class hour. A college shall not report more hours per student than the number of class hours scheduled in official college documents. Colleges shall not report more hours per student, excluding non-traditional classes, than the number of hours specified in the instructor's contract.

(4) Calculation of Student Membership Hours for Regularly Scheduled Classes. Student membership hours are obtained by multiplying the number of students in membership at the 10 percent point in the class by the total number of hours the class is scheduled to meet for the semester as stated in official college documents.

(5) Maintenance of Records of Student Membership Hours. Accurate attendance records shall be maintained for each class throughout the entire class or semester. Attendance records shall be signed by the instructor or lead instructor, verifying their accuracy, and shall be maintained by the college until released from all audits as provided in the Public Records Retention & Disposition Schedule for Institutions in the Community College System. Student membership hours shall be summarized in the Institution's Class Report and certified by the president or designee. For classes identified as non-traditional delivery, (see Paragraph (c) of this Rule) documentation of student contact hours prior to the 10 percent point shall be maintained in the same manner as the attendance records mentioned in this Rule.

(b) Non-Regularly Scheduled Classes.

(1) Definition of Non-Regularly Scheduled Class. A non-regularly scheduled class may include any or all of the following:

(A) a class where a definitive beginning and ending time is not determined;

(B) a class offered in a learning laboratory type setting (see Subparagraph (b)(6) of this Rule for definition of learning laboratory);

(C) a class is self-paced in that the student progresses through the instructional materials at the student's own pace, and can complete the courses as soon as the student has successfully met the educational objectives. Classes offered as independent study are generally offered in this manner;

(D) a class in which a student may enroll during the initial college registration period or in which a student may be permitted to enroll at any time during the semester; or

(E) any class not meeting all criteria for a regularly scheduled class as shown in Subparagraph (a)(1) of this Rule, is considered to be a non-regularly scheduled class for reporting purposes. Note classes defined as non-traditional (see Paragraph (c) of this Rule) which are identified as a separate student hour reporting category and are not subject to the provisions in Paragraph (b) of this Rule.

(2) Definition of Student Membership. A student is considered to be in class membership when the student meets the following criteria:

(A) enrolled as evidenced by payment of the applicable registration fees, or obtained a waiver as defined in Paragraph (a) of Rule .0203 of this Subchapter; and

(B) attended one or more classes.

(3) Definition of Student Contact Hour. A student contact hour is one hour of student attendance in a class for which the student is in membership as defined in Subparagraph (b)(2) of this Rule. Sixty minutes shall constitute an hour.

(4) Calculation of Student Contact Hours for Non-Regularly Scheduled Classes. For these classes, actual time of class attendance for each student determined to be in membership shall be reported. Sixty minutes shall constitute an hour. Student contact hours for these classes are the sum of all the hours of actual student attendance in a class in a given semester.

(5) Maintenance of Records of Student Contact Hours. Accurate attendance records shall be maintained for each class throughout the entire class or semester. Attendance records shall be signed by the instructor or lead instructor, verifying their accuracy, and shall be maintained by the college until released from all audits as provided in the Public Records Retention and Disposition Schedule for Institutions in the Community College System. Student membership hours shall be summarized in the Institution's Class Report and certified by the president or designee. For classes identified as non-traditional delivery, (see Paragraph (c) of this Rule), documentation of student contact hours prior to the 10 percent point shall be maintained in the same manner as the attendance records mentioned in this Rule.

(6) Learning Laboratory. Learning laboratory programs consist of self-instruction using programmed text, audio-visual equipment, and other self-instructional materials. A learning laboratory coordinator has the function of bringing the instructional media and the student together on the basis of objective and subjective evaluation and of counseling, supervising, and encouraging persons working in the laboratory. Contact hours shall be calculated as noted in Subparagraph (b)(4) of this Rule.

(c) Classes Identified as Extension Non-Traditional Delivery.

(1) Definition. Due to the methodology by which instruction is delivered, non-traditional delivery classes are not consistent with the definitions of regularly scheduled or non-regularly scheduled classes described in this Rule. Non-traditional delivery classes are defined as those classes which are offered through media such as radio, television and other media as well as through correspondence or newspapers. The instruction delivered is pre-structured into identifiable units. Non-traditional delivery classes do not include classes identified as

independent study which are not media based or are not correspondence or newspaper based.

(2) For those classes identified as non-traditional delivery, student attendance in class or in an orientation session, submission of a written assignment or a submission of examination is the basis for the determination of class membership at the 10 percent point of the class. Student membership hours in such classes shall be calculated by multiplying the number of students in membership, as defined in the prior sentence, times the number of instructional hours delivered which is determined as follows:

(A) determine the number of hours of instruction delivered via non-traditional delivery; and

(B) add the number of hours of class meetings, review sessions;

(C) For those non-traditional continuing education classes which are approved by a local college staff review committee and the Director of Continuing Education Services for the System Office additional hours above the level noted in Subparagraphs (c)(2)(A) and (B) in this Rule may be approved commensurate with course content.

(3) Individual non-traditional classes which may be developed by a college or jointly by colleges and sent via media are subject to service area agreement requirements as set forth in Rule 23 NCAC 2C.0107 when the class meets physically as a group and is supervised by faculty or staff, outside the sending college's service area.

(4) Sharing FTE's for Non-traditional Classes Jointly Offered by Colleges

Definitions

(A) Sending college--The college that designs, develops, and delivers the course and makes it available to students on any one or several media. Instructional cost incurred by a college for courses delivered in a non-traditional format is eligible to generate budget/FTE. Instructional cost includes salaries, fringe benefits, supplies, materials, access fees, license fees, broadcast and other directly related production costs. Students who register through the sending college shall be included in that college's student hour reports which generate FTE.

(B) Receiving college--The college offering physical facilities or services for students enrolled in courses originating from the sending college. This college incurs a lesser instructional cost than the sending college and is eligible to report 50 percent of the FTE generated by the students who register through the receiving college. The remaining FTE of the students registered through the receiving college may be reported by the sending college unless otherwise agreed upon.

(C) In situations where there are multiple sending colleges or multiple receiving colleges or both, the FTE split noted in Subparagraph (c)(4)(B) of this Rule is applied.

(d) Extension Student Work Experience and Clinical Practice. The following criteria apply to the reporting guidelines for students enrolled in extension work experience and clinical practice courses, exclusive of in-plant training as specified in 23 NCAC 2E .0402. To be eligible for approval, these work experience or clinical practice courses shall be required by a licensing agency or accrediting body. Examples of student work experience include cooperative education, practicums, and internships.

(1) Student membership hours for student work experience and clinical practice shall not generate budget FTE without prior approval of such activities by the System Office. Approval of student work experience and clinical practice approved prior to November 1, 1983 by the System Office shall be resubmitted for reapproval. When the number of approved student work experience membership hours increases by more than 30 percent per course, a new request for approval shall be submitted.

(2) Work Experience. Work experience for extension courses shall earn budget/FTE at the 100 percent rate for student membership hours, as required by a licensing agency or accrediting body, and shall not exceed a maximum of 320 membership hours per student per semester. A maximum of 320 hours may be reported per student per year for a given licensing or accrediting requirement.

(A) These classes shall be coordinated by college personnel paid with college instructional funds and may be located in one or more sites.

(B) Formal or informal apprenticeship on-the-job training activities of a cooperative skill training program funded under a special project allocation shall not earn budget/FTE. Classroom instruction funded with regular budget instructional dollars for related or supplemental instruction as required by formal or informal apprenticeship programs shall earn budget/FTE.

(3) Clinical Practice. Clinical practice, as defined in 23 NCAC 1A.0101, refers to clinical experience in health occupation courses which shall earn budget/FTE at the 100 percent rate for student membership hours, as defined in Subparagraph (a)(3) of this Rule, and shall not exceed a maximum of 320 membership hours per

student per semester unless North Carolina licensure or program accreditation standards require additional hours. In such cases, work activity hours shall earn budget/FTE at the 100 percent rate in accordance with licensure or program accreditation standards up to a maximum of 640 membership hours per student per semester. These classes shall be supervised by college instructors who are qualified to teach in the particular program and who are paid with college instructional funds. These classes may be located in one or more sites.

(e) The Adult High School Diploma work experience shall not exceed 160 hours per student.

History Note: *Authority G.S. 115D-5; S.L. 1995, c. 625;*
Eff. September 1, 1988;
Amended Eff. September 1, 1993;
Temporary Amendment Eff. June 1, 1997;
Amended Eff. August 1, 2000; July 1, 1998.

.0325 LIMITATION IN REPORTING STUDENT MEMBERSHIP HOURS

(a) Student hours shall not be reported for budget/FTE which result from:

(1) Conferences or visits. General types of meetings usually of one or more day's duration, attended by a fairly large number of people. A conference or visit may have a central theme, but is loosely structured to cover a wide range of topics. The emphasis is on prepared presentations by authoritative speakers, although division into small group sessions for discussion purposes is often a related activity.

(2) Seminars or Meetings. A small group of people meeting primarily for discussion under the direction of a leader or resource person or persons. Seminars and meetings are generally one-time offerings even though they may continue for more than one day.

(3) Programs of a service nature rather than instructional classes.

(4) Enrollment of high school students not in compliance with 23 NCAC 2C.0301 and 2C.0305.

(5) Unsupervised classes.

(6) Proficiency or challenge exams except that the actual time required to take the exam may be counted in membership; students shall be registered in the class consistent with Paragraph (a) of Rules .0202 and .0203 of this Subchapter.

(7) Homework assignments.

(8) Inter-institutional or intramural sports activities including those of prison inmates.

(9) Effective July 1, 1993, no budget/FTE shall be generated by occupational extension students after their first repetition of an occupational extension course. Students who take an occupational extension course more than twice within a five-year period shall pay their cost for the course based on the amount of funds generated by a student membership hour for occupational extension multiplied by the number of actual hours the class is to be taught. These students shall not generate budget/FTE. The funds collected from these students shall be used by the colleges to offer additional educational courses. This Subparagraph does not apply to fire, rescue, or law enforcement training courses taken by fire, rescue, or law enforcement personnel.

(b) A statement on occupational extension course repetitions consistent with the requirements of this rule shall be included in college advertisements, schedules and catalogs. Students shall be notified during registration that they will be charged the full cost of courses which they have taken twice within a five-year period and in which they wish to enroll. Students shall be primarily responsible for monitoring course repetitions; however, the colleges shall review records and charge students full cost for courses taken more than twice.

(c) Senior citizens who are legal residents of North Carolina and who wish to enroll in an occupational extension course, shall not be required to pay for taking the course twice. Senior citizens who take an occupational extension course more than twice within a five-year period shall pay their cost for the course based on the amount of funds generated by a student membership hour for occupational extension multiplied by the number of actual hours the class is to be taught. These senior citizens shall not generate budget/FTE. The funds collected from these senior citizens shall be used by the colleges to offer additional educational courses.

(d) Students may repeat occupational extension courses more than once if the repetitions are required for certification, licensure, or recertification. The colleges shall submit annual reports to the State Board of Community Colleges naming the students and the certification, licensure or recertification requirements that necessitated the repetition.

(e) Self-supporting classes shall not be reported for regular budget purposes (those classes supported by student fees or a class in which instruction is provided gratis); all recreational extension classes fall in this category.

(f) Occupational extension instruction shall not be offered in sheltered workshops and adult developmental activity centers (ADAP) except sheltered workshops and ADAP centers may contract with the community college to provide occupational extension courses on a self-supporting basis.

(g) Educational programs offered in a correctional department setting shall report full-time equivalent (FTE) student hours on the basis of contact hours.

History Note: *Filed as a Temporary Amendment Eff. November 1, 1993, for a period of 180 days or until the permanent rule becomes effective, whichever is sooner;*
Filed as a Temporary Amendment Eff. October 15, 1992, for a period of 180 days to expire on April 15, 1993;
Authority G.S. 115D-5;
Eff. September 1, 1988;
Amended Eff. April 1, 1997; June 1, 1994; September 1, 1993.

.0326 BUDGET FTE FUNDING

(a) All student membership hours generated by the college for a given class shall be counted for budget FTE purposes provided 100 percent of the instructional cost is paid from college funds (funds budgeted through the college's budget including State Current, County Current, or College Funds). These provisions apply to all instructional contracts which generate budget FTE including Basic Skills classes. For purpose of this Rule, instructional cost includes the salary of the instructor(s) as well as fringe benefits, supplies, materials, travel, etc. paid from college funds. College-sponsored instruction shall not supplant existing training which may take place without the college's involvement. Following are Rule applications:

(1) A company or entity may reimburse the college for a given class up to 50 percent of the instructional cost and the student hours in membership generated in the class may be reported for budget FTE. If the college is reimbursed for more than 50 percent of the instructional cost for a given class, student hours in membership reported for the class shall be prorated in the same proportion as the college funding. If the college is reimbursed for 100 percent of the instructional cost, the class would be gratis [see Paragraph (b) of this Rule] and no budget FTE would be generated.

(2) In cases where a company or entity donates funds to a college with no expectation for instruction in return, these funds shall be treated as college funds and may be used to generate budget FTE.

(3) The community college shall not contract with a company/entity to provide training to its current employees except as provided by provisions set forth in 23 NCAC 2E .0402.
Note: Contracted training does not have to be defined as in-plant in order for 23 NCAC 2E .0402(c) to apply for reimbursement purposes.

(b) Any class for which the instructor's services are provided at no cost or for which the instructional cost is paid totally and directly by an external agency is a "gratis" class. In this situation, the class is reported as self-supporting, and does not generate budget/FTE. If a portion of the class is gratis, student hours shall be prorated accordingly.

(c) Categorical state allotments to colleges (except literacy) such as Human Resources Development, Small Business, Focused Industrial Training, Community Service Block Grants, etc., do not earn budget/FTE and are not subject to the provisions of this Rule. Regular budget extension funds excluding adult high school may be used in human resources development programs when the special allocations for these purposes are obligated and, in this event, shall earn budget FTE.

(d) Student class hours for class-size projects in which instructional salaries are funded by Title II of the Job Training Partnership Act (JTPA) shall not receive full FTE funding, but shall receive administrative cost reimbursement.

History Note: *Filed as a Temporary Amendment Eff. November 1, 1993 for a period of 180 days or until the permanent rule becomes effective, whichever is sooner;*
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Authority G.S. 115D-5; 115D-31; 115D-58.5;
Eff. September 1, 1988;
Amended Eff. June 1, 1994; September 1, 1993.

.0327 REPORTING STUDENT MEMBERSHIP HOURS TO THE DEPARTMENT

(a) Curriculum and extension college class reports summarizing student membership hours shall be submitted to the Department during each student membership hour reporting period defined in this Paragraph.

(1) The three student membership hour reporting periods are as follows:
  (A) Period 1 - (Spring Period): January 1 - May 15;
  (B) Period 2 - (Summer Period): May 16 - August 14;
  (C) Period 3 - (Fall Period): August 15 - December 31.

(2) College class reports for all regular budget curriculum and extension classes shall be submitted 21 calendar days after the conclusion of each student reporting period defined in Subparagraph (a)(1) of this Rule. Note the following schedule concerning application of the designated periods:
  (A) all reports received by June 5 shall be designated Period 1;
  (B) all reports received by September 4 shall be designated Period 2; and
  (C) all reports received by January 21 shall be designated Period 3.

(b) For learning laboratories, skills laboratories, multi-entry, multi-exit and other non-regularly scheduled classes where actual student time in class is determined, student contact hours shall be calculated on the last day of each respective student membership hour reporting period for a given class and submitted to the Department according to Subparagraphs (a)(1) and (a)(2) of this Rule. Also, note Paragraphs (b) and (c) of Rule .0323 and Paragraphs (a) and (b) of Rule .0324 regarding calculation of student membership hours.

(c) College class reports for non-regular budget extension classes such as new and expanding industry, HRD, JTPA, self-supporting, and recreational shall also be submitted to the Department in accordance with Subparagraphs (a)(1) and (a)(2) of this Rule.

History Note: *Authority G.S. 115D-5; 115D-31; 115D-58.5; S.L. 1995, c. 625;*
Eff. September 1, 1988;
Temporary Amendment Eff. June 1, 1997;
Amended Eff. July 1, 1998.

.0328 THE FULL-TIME EQUIVALENT (FTE) SYSTEM

History Note: *Authority G.S. 115D-5; S.L. 1981, c. 859, s. 32.33; S.L. 1981, c. 1282, s. 36;*
Eff. January 6, 1978;
Amended Eff. April 1, 1989; August 1, 1983; August 17, 1981;
Repealed Eff. September 1, 1993.

SECTION .0400 - REPORTING OF STUDENT HOURS IN MEMBERSHIP

.0401 REPORTING OF STUDENT HOURS IN MEMBERSHIP: PURPOSE
.0402 INSTRUCTIONS
.0403 PROCEDURES FOR CLASSES GREATER THAN A QUARTER IN LENGTH
.0404 SPECIAL REPORTING PROCEDURES FOR CETA PROGRAMS
.0405 SUBMISSION OF REPORTS
.0406 PRORATION PAID FROM NON-INSTRUCTIONAL FUNDS
.0407 HOURS OF GENERAL EDUCATION AND SPECIAL CREDIT STUDENTS
.0408 CORRECTIONS

History Note: *Statutory Authority G.S. 115A-1; 115A-5; 115A-18; 115A-29; 115A-32;*
Eff. February 1, 1976;
Amended Eff. October 1, 1976; September 29, 1976;
Repealed Eff. November 4, 1976.

SECTION .0500 - CALCULATION OF STUDENT HOURS IN MEMBERSHIP

.0501 STUDENTS IN MEMBERSHIP IN NORMALLY SCHEDULED COURSES
.0502 HOURS IN NORMALLY SCHEDULED CLASSES AND OPEN LABORATORIES
.0503 WORK EXPERIENCES
.0504 ALL OTHER TYPES OF COURSES
.0505 LIMITATION OF HOURS WHICH MAY BE REPORTED

History Note: *Filed as an Emergency Regulation Eff. August 6, 1976, for a Period of 120 days;*
Statutory Authority G.S. 115A-1; 115A-5; 115A-18; 115A-29; 115A-32;
Eff. February 1, 1976;
Repealed Eff. November 4, 1976.

SECTION .0600 - CAPITAL CONSTRUCTION

.0601 APPROPRIATION REQUESTS AND ALLOCATION POLICY

The State Board shall approve appropriation requests and the allotment of funds to colleges for capital improvements based on need and utilization of space.

History Note: *Filed as an Emergency Amendment Eff. July 1, 1978 For a Period of 120 Days to Expire on October 29, 1978;*
Statutory Authority G.S. 115D-5; 115D-54;
Eff. February 1, 1976;
Amended Eff. January 6, 1978;
Emergency Amendment Made Permanent Eff. July 24, 1978;
Amended Eff. September 1, 1993; September 1, 1985; August 17, 1981.

.0602 CAPITAL PROJECT APPROVAL AND OBTAINING CAPITAL FUNDS

The State Board is charged with the responsibility to approve sites and building plans, among other things, for all colleges, regardless of source of funds.

History Note: *Statutory Authority G.S. 115D-5;*
Eff. February 1, 1976;
Amended Eff. September 1, 1993; August 17, 1981.

.0603 SITES: LOCAL ZONING PROTECTION
.0604 LIFE-CYCLE COST ANALYSIS

History Note: *Statutory Authority G.S. 115D-5; 115D-14; 115D-15; 133-1.1;*
Eff. February 1, 1976;
Amended Eff. August 17, 1981;
Repealed Eff. September 1, 1993.

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SUBCHAPTER 2E - EDUCATIONAL PROGRAMS

SECTION .0100 - PROGRAM CLASSIFICATION: DEGREES: DIPLOMAS AND CERTIFICATES

.0101 PROGRAM CLASSIFICATION

The following criteria are used for classifying the programs offered in the North Carolina Community College System.

(1) Curriculum Programs:

(a) A curriculum program is an organized sequence of courses leading to an associate degree, a diploma, or a certificate. All curriculum programs are designed to provide education, training, or retraining for the work force.

(i) Associate degree programs are planned programs of study culminating in an associate in applied science, associate in arts, associate in fine arts, associate in science, or associate in general education degree.

(A) The associate in applied science degree programs are designed to prepare individuals for employment. These programs involve the application of scientific principles in research, design, development, production, distribution, or service.

(B) The associate in arts, associate in science, and associate in fine arts degree programs are

designed to prepare students for transfer at the junior level to institutions offering baccalaureate degrees.

(C) The associate in general education degree programs are designed for students who desire a general liberal arts education.

(ii) The diploma programs are designed to provide entry-level employment training. A diploma program may be a stand-alone curriculum program title, or a college may award a diploma under an approved associate in applied science degree curriculum program for a series of courses taken from the approved program of study and structured so that a student may complete additional non-duplicative coursework to receive an associate in applied science degree.

(iii) The certificate programs are designed to lead to employment or to provide skills upgrading or retraining for individuals already in the workforce. A certificate program may be a stand-alone curriculum program title, or a college may award a certificate under an approved degree or diploma curriculum program for a series of courses taken from the approved program of study.

(b) Developmental Education programs consist of courses and support services which include diagnostic assessment and placement, tutoring, advising, and writing assistance. These programs are designed to address academic preparedness, workforce retraining, development of general and discipline-specific learning strategies, and affective barriers to learning. Developmental courses do not earn credit toward a degree, diploma, or certificate.

(2) Continuing Education Programs:

(a) Occupational Extension courses consist of single courses, each complete in itself, designed for the specific purposes of training an individual for full- or part-time employment, upgrading the skills of persons presently employed, and retraining others for new employment in occupational fields.

(b) Community Service:

(i) Community Service courses consist of single courses, each complete in itself; that focus on an individual's personal or leisure needs rather than occupational or professional employment.

(ii) The cultural and civic, and visiting artist component of this program meets community needs through lecture and concert series, art shows, the use of college facilities by community groups, providing speakers to community organizations, and providing visiting artist activities for college communities. Visiting artists may be provided an opportunity to work as artists in residence to enhance local arts resources and promote the various visual, performing and literary arts in communities throughout North Carolina.

(c) Self-Supporting Programs:

(i) A self-supporting course is not reported to the state for budget FTE since the cost of conducting the course is paid by students enrolled.

(ii) Recreational programs are self-supporting courses which the college may provide at the request of the community but for which the college receives no budgetary credit. Funds appropriated as operating expenses for allocation to the colleges shall not be used to support recreation courses. The financing of these courses by a college shall be on a self-supporting basis, and membership hours produced from these activities shall not be counted when computing full-time equivalent students for use in budget-funding formulas at the state level.

(d) Basic Skills Programs. The State Board and the community college system shall encourage persons to complete high school rather than seek testing for the High School Diploma Equivalency.

(i) High School Equivalency programs consist of classroom instruction, learning laboratory courses, or a combination of activities designed to qualify a student for an adult high school diploma. An Agreement of Affiliation with a local public school system is required for minors sixteen or seventeen years old. No agreement is required for adults eighteen years old and older.

(ii) General Educational Development (GED) testing programs consist of classroom instruction, or learning laboratory courses, or a combination of both designed to qualify a student to demonstrate competency on the General Educational Development (GED) tests and to receive a High School Diploma equivalency from the State Board. The State Board is responsible for the administration of the General Educational Development testing program in cooperation with the Office on Educational Credit of the American Council on Education. The procedures regulating the GED Testing Program set forth in the GED Examiner's Manual published by the General Educational Development Testing Service of the American Council on Education are hereby incorporated by reference. A copy of this manual is available for inspection in the Office of the System President,

Department of Community Colleges, 200 W. Jones Street, Raleigh NC 27603-1379. A copy of this manual may be obtained at a cost of ten dollars ($10.00) from the GED Testing Service of the American Council on Education, One Dupont Circle NW, Washington, DC 20036-1163.

(iii) The Adult Basic Education (ABE) program is designed for adults who are functioning at or below the eighth grade educational level. The major objectives of the program are to enable adults to acquire the basic educational skills necessary to be fully competent in our society, to improve their ability to benefit from occupational training and to have greater opportunities for more productive and profitable employment, and to meet their own objectives for enrolling in the program. Classes are offered and focus on fundamental skills such as reading, writing, speaking, computing, critical thinking, and problem solving.

(iv) The English as a Second Language (ESL) program offers classes which accommodate the varied needs of the immigrant and refugee populations. Attention is given to both the cultural and linguistic needs as instruction is focused upon the formation of accurate, appropriate communication skills and upon the student's ability to function in the adult American community. Classes are offered at the beginning through the advanced levels of ESL. The curriculum is designed to develop the basic language skills of reading, writing, speaking, and listening. Instruction integrates the English language with topics that prepare students for everyday life, employment, and citizenship.

(v) The Compensatory Education (CED) program is designed for adults with mental retardation. The program is highly individualized and fosters a maximum level of independent living commensurate with personal ability. Instruction is offered in math, language, social science, health, community living, consumer education and vocational education.

(e) Business and Industrial Training.

(i) The Focused Industrial Training program addresses critical skills in existing industries. Based on assessments of need, these customized classes typically combine on-the-job training with classroom instruction to up-grade or train incumbent employees of manufacturing industries.

(ii) The New and Expanding Industry Training program offers customized, job-specific training to new or expanding companies creating new jobs in the state.

(iii) The Small Business Center program provides training, counseling and referral services especially designed in content and delivery modes for small businesses, both existing and prospective.

(f) Special Instructional Programs:

(i) The Human Resources Development (HRD) program is an intensive program to recruit, train, and either place in employment or vocationally train chronically unemployed or underemployed adults. The primary objective of the training component is to help the jobless trainee orient himself or herself to the world of work, appreciate the effects of his or her behavior on others, and develop the basic academic and communication skills prerequisite to obtaining and maintaining employment.

(ii) The Job Training Partnership Act (JTPA) programs consist of occupational training and basic education for disadvantaged persons.

(g) The Learning Laboratory programs consist of self-instruction using programmed texts, audio visual equipment, and other self-instructional materials. A learning laboratory coordinator has the function of bringing the instructional media and the student together on the basis of objective and subjective evaluation and of counseling, supervising, and encouraging persons working in the lab.

History Note: *Authority G.S. 115D-1; 115D-2; 115D-5; S.L. 1995, c. 625;*
Eff. February 1, 1976;
Readopted Eff. January 24, 1978;
Amended Eff. September 1, 1993; September 1, 1982; August 17, 1981;
Temporary Amendment Eff. June 1, 1997;
Amended Eff. July 1, 1998.

.0102 CURRICULUM PROGRAMS: DEGREES, DIPLOMAS, CERTIFICATES

History Note: *Authority G.S. 115D-2; 115D-5;*
Eff. February 1, 1976;
Amended Eff. September 1, 1993; December 1, 1984; July 1, 1979; September 30, 1977;
Temporary Repeal Eff. June 1, 1997;

Repealed Eff. July 1, 1998.

.0103 FORMAT

History Note: *Authority G.S. 115D-5;*
Eff. February 1, 1976;
Repealed Eff. September 1, 1993.

.0104 QUARTER HOUR CREDITS FOR DEGREE: DIPLOMA: CERTIFICATE

History Note: Authority G.S. 115D-5;
Eff. July 1, 1979;
Repealed Eff. September 1, 1993.

SECTION .0200 - CURRICULUM PROGRAMS

.0201 CURRICULUM PROGRAM APPROVALS AND TERMINATIONS

(a) Curriculum Program Approvals. Community colleges shall issue degrees, diplomas, and certificates to individuals who satisfactorily complete course and program requirements.

(1) The approval of a college or of a group of colleges in a collaborative arrangement to award the associate degree, diploma, or certificate shall be by individual curriculum program title. Approval by the State Board shall be granted when the college has demonstrated an established need and has provided evidence to the State Board of sufficient instructional faculty, facilities, equipment, and materials required to meet the needs of the communities served without supplanting or duplicating existing programs.

(2) The application shall be signed by the college president and the chairman of the college's board of trustees.

(3) The System President shall recommend action on the college's curriculum program application to the State Board.

(4) Approval to grant degrees, diplomas, and certificates shall be withdrawn if the State Board determines that a college is not maintaining approved programs or graduation requirements.

(b) Curriculum Program Terminations. The college shall terminate a curriculum program when there has been no enrollment for two years; a college may request a one-year extension of a curriculum program upon justification of the potential for employment opportunities and student enrollment. Curriculum programs shall be terminated by action of the State Board. Each college planning to terminate a curriculum program shall inform the System President by submitting a termination notice.

(c) The System President shall approve Associate in General Education and Associate in Applied Science General Occupational Technology curriculum programs for colleges in the system.

(d) On special approval by the State Board, a degree program title or a stand-alone diploma or certificate program title may exceed the maximum length of programs as set by the curriculum standards. Such an exception shall apply to all colleges approved to offer the curriculum program title. A two-thirds majority of colleges approved to offer the program shall agree with the conditions of the request for the exception. A request for an exception shall be justified based on one or more of the following criteria:

(1) Additional time in the program is required by law.

(2) Additional time in the program is required by an external regulatory, accrediting, or professional agency recognized by the State Board.

(3) Additional time in the program is justified by documented extenuating circumstances such as the following:

(A) Documentation that equivalent programs in other states require additional hours of training to teach the competencies of the curriculum;

(B) Documentation that the program will not be viable without the exception; or

(C) Documentation that employers have certified the competencies required for the program and the length of time needed to teach those competencies.

History Note: *Authority G.S. 115D-5; 115D-20(6); S.L. 1995, c. 625;*
Eff. February 1, 1976;
Readopted January 5, 1978;
Amended Eff. September 1, 1993; January 1, 1988; August 17, 1981; July 1, 1979;
Temporary Amendment Eff. June 1, 1997;

Amended Eff. July 1, 1998.

.0202 BUSINESS EDUCATION POLICY

History Note: *Authority G.S. 115D-1; 115D-3; 115D-5;*
Eff. February 1, 1976;
Amended Eff. July 1, 1988; March 1, 1980; September 30, 1977;
Repealed Eff. September 1, 1993.

.0203 STANDARDS FOR TECHNICAL-VOCATIONAL CURRICULUMS

History Note: *Authority G.S. 115D-5;*
Eff. July 1, 1979;
Amended Eff. December 1, 1984;
Temporary Repeal Eff. June 1, 1997;
Repealed Eff. July 1, 1998.

.0204 COURSES AND STANDARDS FOR CURRICULUM PROGRAMS

A common course library and curriculum standards for associate degree, diploma, and certificate programs shall be as follows:

(1) Common Course Library.

(a) The Common Course Library shall contain the following elements for all curriculum program credit and developmental courses approved for the North Carolina Community College System.

(i) Course prefix;
(ii) Course number;
(iii) Course title;
(iv) Classroom hours and laboratory, clinical, and work experience contact hours, if applicable;
(v) Credit hours;
(vi) Prerequisites and corequisites, if applicable; and
(vii) Course description consisting of three sentences.

(b) A numbering system for the Common Course Library is as follows:

(i) The numbers 050-099 shall be assigned to developmental courses.
(ii) The numbers 100-109 and 200-209 shall be assigned to courses approved only at the certificate and diploma level. These courses shall not be included in associate degree programs.
(iii) The numbers 110-199 and 210-299 shall be used for courses approved at the associate degree level. These courses may also be included in certificate and diploma programs.

(c) The college shall use the course information (prefix, number, title, and classroom, laboratory, clinical, work experience, and credit hours; prerequisites and corequisites; and course description) as listed in the Common Course Library.

(i) The college may add a fourth sentence to the course description to clarify content or instructional methodology.
(ii) A college may divide courses into incremental units for greater flexibility in providing instruction to part-time students or to provide shorter units of study for abbreviated calendars. The following criteria shall apply to courses divided into incremental units:

(A) A curriculum program course may be divided into two or three units, which are designated with an additional suffix following the course prefix and number.
(B) The units shall equal the entire course of instruction, without omitting any competencies.
(C) The combined contact and credit hours for the units shall equal the contact and credit hours for the course.
(D) If the course is a prerequisite to another course, the student shall complete all component parts before enrolling in the next course.
(E) The components of a split curriculum program course shall not be used to supplant training for occupational extension.

(d) The Department of Community Colleges shall revise and maintain courses in the Common Course Library.

(2) Development of Curriculum Standards. The standards for each curriculum program title shall be established jointly by the Department of Community Colleges and the institution(s) proposing to offer the curriculum program based on criteria established by the State Board of Community Colleges. Changes in curriculum standards shall be approved by the State Board of Community Colleges. Requests for changes in the standards shall be made to the State Board of Community Colleges under the following conditions:

(a) A request is made to the Department of Community Colleges to change the standards for a curriculum program title; and

(b) A two-thirds majority of institutions approved to offer the curriculum program title concur with the request.

(3) Criteria for Curriculum Standards. The standards for each curriculum program title shall be based on the following criteria established by the State Board of Community Colleges for the awarding of degrees, diplomas, and certificates.

(a) Associate in Applied Science Degree. The Associate in Applied Science Degree shall be granted for a planned program of study consisting of a minimum of 64 and a maximum of 76 semester hours of credit from courses at the 110-199 and 210-299 levels. Within the degree program, the institution shall include opportunities for the achievement of competence in reading, writing, oral communication, fundamental mathematical skills, and the basic use of computers.

(i) The associate in applied science degree curriculum program shall include a minimum of 15 semester hours of credit from general education courses selected from the Common Course Library, including six hours in communications, three hours in humanities or fine arts, three hours in social or behavioral sciences, and three hours in natural sciences or mathematics.

(ii) The associate in applied science degree curriculum program shall include a minimum of 49 semester hours of credit from major courses selected from the Common Course Library. Major courses are those which offer specific job knowledge or skills.

(A) The major hours category shall be comprised of identified core courses or subject areas or both which are required for each curriculum program. Subject areas or core courses shall be based on curriculum competencies and shall teach essential skills and knowledge necessary for employment. The number of credit hours required for the core shall not be less than 12 semester hours of credit.

(B) The major hours category may also include hours required for a concentration of study. A concentration of study is a group of courses required beyond the core for a specific related employment field. A concentration shall include a minimum of 12 semester hours, and the majority of the course credit hours shall be unique to the concentration.

(C) Other major hours shall be selected from prefixes identified on the curriculum standard. A maximum of nine semester hours of credit may be selected from any prefix listed, with the exception of prefixes listed in the core or concentration.

(D) Work experience, including cooperative education, practicums, and internships, may be included in an associate in applied science degree curriculum program up to a maximum of eight semester hours of credit. Under a curriculum standard specifically designed for select associate degree programs, work experience shall be included in a curriculum up to a maximum of 16 semester hours of credit. The select associate degree programs shall be based on a program of studies registered under the North Carolina Department of Labor Apprenticeship programs. Only eight semester hours of credit of work experience shall earn budget FTE. The Department of Community Colleges shall implement the Pilot Work Experience Project and shall submit to the State Board of Community Colleges a report, including the number of students involved and associated costs, one year after this Rule as revised is effective.

(iii) An associate in applied science degree curriculum program may include a maximum of seven other required hours to complete college graduation requirements. These courses shall be selected from the Common Course Library.

(iv) Selected topics or seminar courses may be included in an associate in applied science degree program up to a maximum of three semester hours of credit. Selected topics or seminar courses shall not substitute for required general education or major core courses.

(b) Associate in Arts and Associate in Science Degrees. The Associate in Arts and Associate in Science Degrees shall be granted for planned programs of study consisting of a minimum of 64 and a maximum of 65 semester hours of credit from approved college transfer courses at the 110-199 and 210-299 levels.

Within the degree program, the institution shall include opportunities for the achievement of competence in reading, writing, oral communication, fundamental mathematical skills, and the basic use of computers.

(i) The associate in arts and associate in science degree programs shall include a minimum of 44 semester hours of general education core courses selected from the Common Course Library and approved for transfer to the University of North Carolina constituent institutions. The general education core shall include:

(A) six semester hours of English composition.

(B) 12 semester hours of humanities or fine arts, with four courses to be selected from at least three of the following disciplines: music, art, drama, dance, foreign languages, interdisciplinary humanities, literature, philosophy, and religion. At least one course shall be a literature course. Three semester hours credit in speech or communication may be substituted for three semester hours credit in humanities or fine arts.

(C) 12 semester hours of social or behavioral sciences, with four courses to be selected from at least three of the following disciplines: anthropology, economics, geography, history, political science, psychology, and sociology. At least one course shall be a history course.

(D) 14 semester hours of natural sciences or mathematics; six hours shall be mathematics courses; eight hours shall be natural sciences courses, including accompanying laboratory work, selected from among the biological and physical science disciplines.

(ii) The associate in arts and associate in science degree programs shall include a minimum of 20 and a maximum of 21 additional semester hours of credit selected from courses in the Common Course Library which have been approved for transfer to the University of North Carolina constituent institutions. Courses in health, physical education, college orientation, or study skills may be included. Selected topics or seminar courses up to a maximum of three semester hours credit may be included. Work experience, including cooperative education, practicums, and internships, may be included up to a maximum of one semester hour of credit for career exploration.

(A) The associate in arts degree curriculum program shall include a minimum of 20 semester hours of credit from general education and pre-major courses which have been approved for transfer.

(B) The associate in science degree curriculum program shall include a minimum of 14 semester hours in mathematics or science and professional courses which have been approved for transfer.

(c) Associate in Fine Arts Degree. The Associate in Fine Arts Degree shall be granted for planned programs of study consisting of a minimum of 64 and a maximum of 65 semester hours of credit from approved college transfer courses at the 110-199 and 210-299 levels. Within the degree program, the institution shall include opportunities for the achievement of competence in reading, writing, oral communication, fundamental mathematical skills, and the basic use of computers.

(i) The associate in fine arts degree programs shall include a minimum of 28 semester hours of general education core courses selected from the Common Course Library and approved for transfer to the University of North Carolina constituent institutions. The general education core shall include:

(A) six semester hours of English composition.

(B) six semester hours of humanities or fine arts, with two courses to be selected from two of the following disciplines: music, art, drama, dance, foreign languages, interdisciplinary humanities, literature, philosophy, and religion. At least one course shall be a literature course. Three semester hours credit in speech or communication may be substituted for three semester hours credit in humanities or fine arts.

(C) nine semester hours of social or behavioral sciences, with three courses to be selected from three of the following disciplines: anthropology, economics, geography, history, political science, psychology, and sociology. At least one course shall be a history course.

(D) three semester hours of introductory mathematics.

(E) four semester hours from the natural sciences, including accompanying laboratory work.

(ii) The associate in fine arts degree programs shall include a minimum of 36 and a maximum of 37 additional semester hours of credit from courses in the Common Course Library which have been approved for transfer to the University of North Carolina constituent institutions. Courses in health, physical education, college orientation, or study skills may be included. Selected topics or seminar courses up to a maximum of three semester hours credit may be included. Work experience,

including cooperative education, practicums, and internships, may be included up to a maximum of one semester hour of credit for career exploration.

(d) Associate in General Education. The Associate in General Education shall be granted for a planned program of study consisting of a minimum of 64 and a maximum of 65 semester hours of credit from courses at the 110-199 and 210-299 levels. Within the degree program, the institution shall include opportunities for the achievement of competence in reading, writing, oral communication, fundamental mathematical skills, and the basic use of computers.

(i) The associate in general education degree curriculum program shall include a minimum of 15 semester hours of credit from general education courses selected from the Common Course Library, including six hours in communications, three hours in humanities or fine arts, three hours in social or behavioral sciences, and three hours in natural sciences or mathematics.

(ii) The remaining hours in the associate in general education degree curriculum program shall consist of additional general education courses selected from the Common Course Library. A maximum of seven semester hours of credit in health, physical education, and college orientation or study skills courses may be included. Selected topics or seminar courses may be included in a program of study up to a maximum of three semester hours credit.

(e) Diploma. The Diploma shall be granted for a planned program of study consisting of a minimum of 36 and a maximum of 48 semester hours of credit from courses at the 100-299 level.

(i) Diploma curricula shall include a minimum of six semester hours of general education courses selected from the Common Course Library: A minimum of three semester hours of credit shall be in communications, and a minimum of three semester hours of credit shall be selected from courses in humanities and fine arts, social and behavioral sciences, or natural sciences and mathematics.

(ii) Diploma curricula shall include a minimum of 30 semester hours of major courses selected from the Common Course Library.

(A) A diploma curriculum program which is a stand-alone curriculum program title shall include identified core courses or subject areas or both within the major hours category.

(B) Courses for other major hours in a stand-alone diploma curriculum program title shall be selected from prefixes identified on the curriculum standard. A maximum of nine semester hours of credit may be selected from any prefix listed, with the exception of prefixes listed in the core or concentration.

(C) Work experience, including cooperative education, practicums, and internships, may be included in a diploma curriculum program up to a maximum of eight semester hours of credit.

(iii) A diploma curriculum program may include a maximum of four other required hours to complete college graduation requirements. These courses shall be selected from the Common Course Library.

(iv) An institution may award a diploma under an approved associate in applied science degree curriculum program for a series of courses taken from the approved associate degree curriculum program of study.

(A) A diploma curriculum program offered under an approved associate degree curriculum program shall meet the standard general education and major course requirements for the diploma credential.

(B) A college may substitute general education courses at the 100-109 level for the associate-degree level general education courses in a diploma curriculum program offered under an approved degree program.

(C) The diploma curriculum program offered under an approved associate degree curriculum program shall require a minimum of 12 semester hours of credit from courses extracted from the required core courses and/or subject areas of the respective associate in applied science degree curriculum program.

(v) Selected topics or seminar courses may be included in a diploma program up to a maximum of three semester hours of credit. Selected topics and seminar courses shall not substitute for required general education or major core courses.

(f) Certificate Programs. The Certificate shall be granted for a planned program of study consisting of a minimum of 12 and a maximum of 18 semester hours of credit from courses at the 100-299 level.

(i) General education is optional in certificate curricula.

(ii) Certificate curricula shall include a minimum of 12 semester hours of major courses selected from the Common Course Library.

(A) A certificate curriculum program which is a stand-alone curriculum program title or which is the highest credential level awarded under an approved associate in applied science degree or diploma program shall include 12 semester hours of credit from core courses or subject areas or both within the major hours category.

(B) Courses for other major hours in a stand-alone certificate curriculum program shall be selected from prefixes identified on the curriculum standard. A maximum of nine semester hours of credit may be selected from any prefix listed, with the exception of prefixes listed in the core or concentration.

(C) Work experience, including cooperative education, practicums, and internships, may be included in a certificate program up to a maximum of two semester hours of credit.

(iii) A certificate curriculum program may include a maximum of one other required hour of credit to complete college graduation requirements. This course shall be selected from the Common Course Library.

(iv) An institution may award a certificate under an approved degree or diploma curriculum program for a series of courses totaling a minimum of 12 semester hours of credit and a maximum of 18 semester hours of credit taken from the approved associate degree or diploma curriculum program of study.

(v) Selected topics or seminar courses may be included in a certificate program up to a maximum of three semester hours credit.

(4) Curriculum Standards Compliance. Each institution shall select curriculum program courses from the Common Course Library to comply with the standards for each curriculum program title the institution is approved to offer. The selected courses shall comprise the college's program of study for that curriculum program.

(a) Each institution shall maintain on file with the Department of Community Colleges a copy of the official program of study approved by the institution's board of trustees.

(b) When requesting approval to offer a curriculum program title, an institution shall submit a program of study for that curriculum program title.

(c) A copy of each revised program of study shall be filed with and approved by the Department of Community Colleges prior to implementation at the institution.

History Note: *Authority G.S. 115D-5; S.L. 1995, c. 625;*
Temporary Adoption Eff. June 1, 1997;
Eff. July 1, 1998.

.0205 PROGRAM REVIEW

(a) Each college shall monitor the quality and viability of all its programs and services. Each curriculum program, each program area within continuing education, including Basic Skills, occupational extension, and community service, and each service area shall be reviewed at least every five years to determine program strengths and weaknesses and to identify areas for program improvement. The program review process shall be consistent with the requirements of the regional accrediting agency.

(b) Each college shall submit data to the System Office on the performance measures related to the following outcomes: progress of Basic Skills students; performance of college transfer students; passing rates on licensure and certification examinations; success of developmental studies students; curriculum student success; and employer satisfaction. Each college shall publish its data on all performance measures in its catalog, beginning with catalogs published after April 2001.

(c) The System Office shall report annually to the State Board of Community Colleges on these performance measures.

(d) The System Office shall monitor the colleges' performance on all measures and ensure that all measures are being used for the purpose of program improvement.

Note: Substance of former 23 NCAC 2C .0604 was incorporated into this Rule.

History Note:Authority G.S. 115D-5; 115D-31.3, 1999 S.L., c. 237, s. 9.2, 1993 S.L., c. 321, s. 109; S.L 1995, c. 625;

Eff. February 1, 1990;
Amended Eff. August 1, 1995; September 1, 1993;
Temporary Amendment Eff. June 1, 1997;
Amended Eff. July 1, 1998;
Temporary Amendment Eff. December 6, 1999.

SECTION .0300 - GENERAL ADULT: SPECIAL EXTENSION: AND COMMUNITY SERVICE

.0301 ADULT HIGH SCHOOL
.0302 ADULT VOCATIONAL PROGRAMS
.0303 GENERAL EDUCATIONAL DEVELOPMENT (GED) TESTING PROGRAM

History Note: *Statutory Authority G.S. 115D-1; 115D-5; S.L. 1987, ch. 738, s. 219;*
Eff. February 1, 1976;
Amended Eff. September 1, 1988; December 1, 1984; May 1, 1982; July 1, 1980;
Repealed Eff. September 1, 1993.

.0304 THE VISITING ARTIST PROGRAM

History Note: *Filed as an Emergency Regulation Eff. April 9, 1979 For a Period of 120 days to Expire on August 7, 1979;*
Statutory Authority G.S. 115D-5;
Made Permanent Eff. July 1, 1979;
Amended Eff. December 1, 1984;
Repealed Eff. September 1, 1993.

.0305 CONTINUING EDUCATION PROGRAM MANAGEMENT

(a) Continuing education programs shall provide lifelong learning experiences offering planned instructional responses to identified needs of targeted audiences. Instructional objectives shall specify the skills, knowledge and attitudes the learner should be able to apply upon satisfactorily completing the continuing education experience. Adequate educational facilities, instructional aids, and other instructional materials shall be provided to support continuing education courses.

(b) Facilities where classes are held must provide appropriate environments which are conducive to learning. Continuing education classes offered in special settings (such as private homes or private home-based businesses) other than generally accepted learning environments shall be approved by the college president or designee prior to the class being offered. Documentation of such approval shall be maintained at the college until released from all audits (REF: Public Records Retention & Disposition Schedule for institutions in the community college system).

(c) Each college's local board of trustees must adopt a policy which requires the development and implementation of an internal audit plan. Each college is required to publish, maintain and utilize an internal audit plan. The college presidents shall periodically report to the board of trustees on the findings of the internal audit. The internal plan must be submitted to the Department for compliance review.

History Note: *Statutory Authority G.S. 115D-1; 115D-5;*
Eff. September 1, 1988;
Amended Eff. September 1, 1993.

SECTION .0400 - INDUSTRIAL SERVICES

.0401 TRAINING FOR NEW AND EXPANDING INDUSTRY

(a) Customized training programs for new and expanding companies shall be provided to support the economic development of the state. The training programs for new and expanding industries shall be administered by the college, with consultation and assistance from the Department's staff.

(b) State funds are appropriated to the Department in a separate line to support the training for new and expanding industry. These funds shall be used to support only those training projects that create new jobs in new and expanding companies. They shall be allocated to and expended by the college in accordance with the approved project plan and budget.

History Note: Statutory Authority G.S. 115D-5;
Eff. February 1, 1976;
Readopted Eff. January 5, 1978;
Amended Eff. September 1, 1993; December 1, 1984.

.0402 PROVISION FOR OCCUPATIONAL EXTENSION IN-PLANT SKILL TRAINING

(a) Chapter 115D of the General Statutes of North Carolina authorizes the college to conduct in-plant courses to assist manufacturing, service, and/or governmental organizations with in-service training of their employees. The goal of in-plant training is the development of skilled workers, such that the people of the state may benefit in common by the attraction of more industries to the state and the maintenance of existing industries. An in-plant training course must provide a greater benefit to the public than it provides to the private company. In-plant training courses supported with public funds must meet the following conditions:

(1) Training courses shall be available to all local companies, not just to a select few.

(2) Training shall occur in the facilities or at the sites in which the company normally operates.

(3) Enrollment shall be limited to the employees of the company in which the training occurs; trainees may be newly-hired employees who need entry level skills or existing employees who, due to documented changes in the job content, need up-grading.

(4) Training shall be conducted at the employee's assigned work station during normal working hours.

(5) Training shall be directly related to job skills. Skills taught in the course shall be transferable to work in other companies involved in the same or similar areas of industry, such that the benefit to the public is the development of a skilled workforce, and not merely the training of a private company's employees.

(6) Training shall prepare new or current employees to apply new technology, new equipment, or new processes. Training shall not be used to refine skills already possessed.

(7) Courses shall not subsidize private companies. A course in which a company is reimbursed for the cost of providing an employee to conduct the training constitutes a subsidy, and shall not be acceptable without a finding of special circumstances. Special circumstances consist of, but are not limited to the following:

(A) A qualified outside instructor is not available.

(B) The best qualified and most convenient instructor is an employee of the company.

(C) The company has processes about which it does not wish outsiders to obtain knowledge.

(b) Colleges are encouraged to offer in-plant courses in those situations where the development of job skills is dependent on equipment or processes in the work environment which cannot be duplicated in a college setting. The purpose of an in-plant course is to teach the fundamental skills of a particular job. The achievement of production or performance standards established by the employer is not a goal of in-plant courses. The instruction provided shall not duplicate or supplant existing training.

(c) A community college may offer in-plant training, as defined in this Rule, in the following ways:

(1) The college may employ an instructor or enter into a third-party agreement. In this instance, the college will earn regular budget/FTE for the resulting student hours reported. Also, note 23 NCAC 2D .0326 for related information.

(2) A college may contract with a company to provide the direct cost of replacement of an employee providing the actual training who is not hired by the company as a trainer, and who is released from regular work responsibilities during the time for which contracted to provide instruction. Replacement cost is defined as actual costs which were expended by the company to replace on a temporary basis the contracted employee from normal duties while providing instruction. In this situation the college may earn regular

budget/FTE.

(3) A college may contract with a company to provide indirect replacement cost. The cost, if this option is applied, will be the salary loss of production time to the company for the individual contracted to deliver the instruction. This individual must not be a regular trainer or have instructional responsibilities as a part of the regular job requirement. In this situation the college may earn the actual cost of the contract by determining, for the employee who is actually doing the instruction, an hourly wage rate for the instructor's normal job times the actual hours of instruction. This will be the contract cost, and the college will be reimbursed this cost plus 25 percent of the cost for delivery of in-plant instruction when contracted through a company. If the college provides the supplies and materials, these costs may be added to the instructional cost as a part of the contract. Supplies and materials are not to be included in the instructional cost plus 25 percent calculation. Contracted instruction applying this option may neither exceed 240 hours nor be provided on a repetitive basis.

(d) Content of an in-plant course shall be based on an analysis of the job for which training is offered. The job analysis shall designate each separate task within a job and assign a number of hours required to teach each separate task. The college shall review each request for an in-plant training course and make a determination, using the conditions set forth in Paragraph (a) of this Rule, that the public's interest in providing the course to the company's employees is greater than the private benefit to the company. The course outline, the operating costs, and a written finding that this course's public interest is greater than the private benefit to the company shall be approved by the local board of trustees. This approved plan shall be forwarded to the Department for review and approval if consistent with all applicable State Board policies. The Department shall report on in-plant training on a quarterly basis to the State Board. If approval is not given by either the local board of trustees or the Department, no budget/FTE or contract reimbursement shall be reported for that course.

(e) An in-plant course may be offered up to 240 hours. No employee shall be trained for more than 440 hours during a 12-month period. (The 12-month period will begin at the start of the initial training. The application of this provision will begin on or after the first day of Fall Quarter, 1992.)

(1) An in-plant course shall not be offered on a repetitive or recurring basis to the same employees within the same organization. An employee may not take a given course more than twice.

(2) The college shall retain in its files a course outline and documentation substantiating each course.

(f) An instructor of an in-plant course, whether an employee of the organization in which the course is offered or an employee of the sponsoring college, shall not, during hours of instruction, be involved in any activity other than instruction. An instructor shall not engage in any administrative, supervisory, or operational functions of the organization in which a course is offered during those hours when he or she is partially or totally paid by the college. An appropriate official of the organization in which the course is offered shall agree in writing to these conditions.

History Note: Filed as a Temporary Amendment Eff. November 1, 1993 for a period of 180 days or until the permanent rule becomes effective, whichever is sooner;
Filed as a Temporary Amendment Eff. October 15, 1992 For a Period of 180 days to Expire on April 15, 1993;
Filed as an Emergency Amendment Eff. August 6, 1976 For a Period of 120 days to Expire on December 4, 1976;
Statutory Authority G.S. 115D-5;
Eff. February 1, 1976;
Made Permanent Eff. November 4, 1976;
Amended Eff. June 1, 1994; September 1, 1993; September 1, 1985; December 1, 1984.

.0403 INSTRUCTION TO CAPTIVE OR CO-OPTED GROUPS

(a) A college is required to obtain State Board approval prior to providing instruction to students who are classified captive or co-opted. Captive or co-opted groups of students are defined as inmates in a correctional facility; military personnel on military bases when classes are designed exclusively for military personnel; clients of sheltered workshops, domiciliary care facilities, nursing facilities, mental retardation centers; substance abuse rehabilitation centers; and in-patients of psychiatric hospitals.

(b) Instruction to captive or co-opted groups may be approved when it is determined by the State Board that the proposed instruction for the group is not a function normally expected of the agency, and the instruction is within the purpose of the community college.

(c) Instruction to captive or co-opted groups may be approved in the form of curriculum courses or occupational extension courses.

(d) Basic Skills programs or courses are exempt from prior approval requirements of this Rule.

History Note: *Filed as an Emergency Regulation Eff. July 1, 1979 For a Period of 120 days to Expire on October 29, 1979.*
Authority G.S. 115D-1; 115D-5;
Made Permanent by Amendment Eff. October 5, 1979;
Amended Eff. January 1, 1996; September 1, 1993; December 1, 1984.

SECTION .0500 - ARTICULATION: STATE EDUCATION SYSTEMS

.0501 ARTICULATION

(a) The State Board of Community Colleges shall encourage meetings with the State Board of Education and the Board of Governors of The University of North Carolina to discuss educational matters of mutual interest and to recommend to the General Assembly policies that are appropriate to encourage the improvement of public education at every level in North Carolina.

(b) The State Board of Community Colleges encourages formal and informal articulation efforts on a continuing basis among the educational systems. Articulation among the State educational systems should address programming, transferability, and other student-oriented issues which would result in better serving the educational needs of North Carolina. Where feasible, the joint utilization of physical facilities, equipment and materials should be considered.

(c) All North Carolina Community College System associate in science, associate in arts, and associate in fine arts degree programs shall be structured to comply with the North Carolina Comprehensive Articulation Agreement for the transfer of credits between the institutions of the North Carolina Community College System and the University of North Carolina.

History Note: *Authority G.S. 115D-2.1; 115D-3; 115D-5; S.L. 1995, c. 625;*
Eff. February 1, 1976;
Readopted Eff. January 5, 1978;
Amended Eff. September 1, 1993; December 1, 1984.
Temporary Amendment Eff. June 1, 1997;
Amended Eff. July 1, 1998.

.0502 FUNDING AND OTHER PROCEDURES

History Note: Authority G.S. 115D-1; 115D-3; 115D-5;
Eff. February 1, 1976;
Readopted Eff. January 5, 1978;
Amended Eff. December 1, 1984;
Repealed Eff. September 1, 1993.

SECTION .0600 - CONTRACTS FOR EDUCATIONAL SERVICES

.0601 PROPRIETARY INSTRUCTIONAL CONTRACT STANDARDS

History Note: *Authority G.S. 115A-1 through 115A-5; P.L. 90-576; P.L. 88-352;*
Eff. February 1, 1976;
Amended Eff. September 30, 1977;
Repealed Eff. January 5, 1978.

.0602 CURRICULUM INSTRUCTIONAL CONTRACT PROVISIONS

(a) Each college is to assess its own need to provide instructional services by contracting with other public or private organizations or institutions. Any curriculum instructional program or course intended to be offered by contract must be submitted to the System President for approval. This policy does not apply to contracts between a college and its individual

instructors.

(b) Any curriculum contract entered into by the local board of trustees of a college must meet the following general criteria:

(1) A contract document in proper legal form is necessary in all cases and shall be drawn up by the college consistent with the requirements of the local board of trustees, the public or private organizations or institutions being contracted with and the State Board's criteria.

(2) The contract shall be limited to and not exceed the fiscal year in which it begins.

(3) The provisions for payment under contract shall not exceed usual and customary costs associated with the contracted instruction.

(4) The contract shall provide that the college personnel shall have the right to supervise the educational program offered by the public or private organizations or institutions to the extent necessary to ensure the quality of the instructional program.

(5) The contract shall provide that the college, the Department and the State Auditor shall have access to the records of the contractor to the extent necessary to ascertain the accuracy of such records and shall authorize the Department to obtain such fiscal accounting reports as are necessary in carrying out the terms of the contract.

(6) Curriculum courses taught under contract shall be limited to programs the college has been authorized to offer.

(7) The contract shall stipulate that students taught under the terms of the contract shall pay the same fees charged other students in similar programs in the college, which fees shall be deposited in like manner as other fees. No tuition or fee charges shall be collected by the public or private organizations or institutions from students taught under such contracts unless specified by the contract.

(8) The contract must be signed by the chairman of the board of trustees, president of the college and a representative of the public or private organizations or institutions.

(9) Approval Procedure. When approved by the local board of trustees and the public or private organizations or institutions, the contract document shall be submitted to the System President who is authorized to approve the college's budget for the contracted instructional services if the requirements in Paragraphs (b), (c), (d), and (e) of this Rule have been met.

(c) The following provisions shall apply specifically to curriculum contracts with a proprietary or private non-profit institution or public agency.

(1) The proprietary or private non-profit institution with which the contract is made must be licensed as required by the General Statutes of North Carolina and must have maintained the licensure for a minimum of two years to offer the instruction desired.

(2) If federal funds are to be used to pay for instruction provided under the conditions of the contract, the proprietary or private non-profit institution must meet the requirements of the private vocational training institution.

(3) The chief executive officer of the proprietary or private non-profit institution, or designated agent, must sign a certification statement that the program in question, facility, or contract for services to students will be open without regard to race, age, color, creed, sex, political affiliation, or disability.

(4) Public or private colleges or universities must be licensed as required by the General Statutes of North Carolina to offer the instruction desired if entering into a contract to provide instructional services with the board of trustees of a college.

(d) Instructional curriculum contracts with local school administrative units must meet the following conditions:

(1) Shall not supplant existing funding for public school positions;

(2) Must provide through the Cooperative Agreement Program (Huskins Bill) college-level classes which could not be otherwise provided;

(3) Shall recoup the direct instructional cost contained in the contract and 15 percent for administrative cost incurred, if a college contracts with a local school unit under the Cooperative Agreement Program (Huskins Bill).

(e) Unless otherwise specified, colleges shall earn reimbursement on the regular formula budget for student membership hours generated by instruction under contract except that cosmetology instruction offered under contract shall be funded for instructional units at the occupational extension formula rate and for instructional support and administration at the curriculum formula rate. Also, note 23 NCAC 2D .0326 which addresses contracted instruction offered primarily in the non-credit, occupational extension area.

History Note: *Filed as a Temporary Amendment Eff. October 15, 1992 for a period of 180 days to expire on April 15, 1993;*
Authority G.S. 115D-1 through 115D-5; 115D-18; 115D-20(6); P.L. 88-352; P.L. 98-524;
Eff. February 1, 1976.

Amended Eff. September 30, 1977;
Readopted Eff. January 5, 1978;
Amended Eff. September 1, 1993; January 1, 1989; August 17, 1981; July 1, 1980.

.0603 RURAL RENAISSANCE CONSORTIUM INSTRUCTIONAL MODULES

History Note: *Authority G.S. 115D-1 through 115D-5; 115D-54;*
Eff. January 14, 1980;
Amended Eff. December 1, 1984;
Repealed Eff. September 1, 1993.

.0604 COLLABORATIVE AGREEMENTS

(a) Two or more colleges may enter into a written collaborative agreement for the purpose of offering credit courses or programs. The collaborative agreement shall:

(1) Specify the curriculum program(s) to be shared;
(2) Define the plan for sharing the curriculum program(s), including who shall earn the FTE and grant the award(s);
(3) Certify that appropriate and adequate resources are available at each participating college. Where feasible, the joint utilization of physical facilities, equipment, materials, and instructional faculty should be considered;
(4) Certify that the curriculum program(s) meets the standards of the appropriate accrediting agency;
(5) Specify under what conditions and what time frame the agreement can be terminated.
(6) Be signed by the president and approved by the board of trustees of each participating college; and
(7) Be approved by the System President.

(b) One or more of the colleges participating in the collaborative agreement shall be approved by the State Board of Community Colleges to offer the curriculum program shared under the collaborative agreement.

(c) Notification of termination of an agreement shall be sent to the System President prior to the effective termination date.

History Note: *Filed as a Temporary Adoption Eff. October 31, 1994, for a period of 180 days or until the permanent rule becomes effective, whichever is sooner;*
Authority G.S. 115D-5; S.L. 1993, 2nd session, c. 769, p. 18, s. 18; S.L. 1995, c. 625;
Eff. May 1, 1995;
Temporary Amendment Eff. June 1, 1997;
Amended Eff. July 1, 1998.

NORTH CAROLINA ADMINISTRATIVE CODE

TITLE 23
DEPARTMENT OF COMMUNITY COLLEGES

CHAPTER 3
MISCELLANEOUS PROGRAMS

SUBCHAPTER 3A - PROPRIETARY SCHOOLS

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CHAPTER 3 - MISCELLANEOUS PROGRAMS

SUBCHAPTER 3A - PROPRIETARY SCHOOLS

SECTION .0100 - BUSINESS, TRADE AND TECHNICAL SCHOOLS

.0101 LICENSING SCHOOLS

Application for an Original License:

(1) Any person or persons operating a proprietary business, trade or technical school with an enrollment of more than five persons in the state of North Carolina shall obtain a license from the North Carolina State Board of Community Colleges except as exempt by G.S. 115D-88.

(2) A preliminary application shall be submitted setting forth the proposed location of the school, the qualifications of the director of the school, a description of the facilities available, courses to be offered, and financial resources available to equip and maintain the school. The State Board may request other state occupational licensing or approving bodies to approve the adequacy of programs, equipment, and personnel during the preliminary application phase. Upon approval of the preliminary application, a final application may be submitted. This application shall be verified and accompanied by the following:

(a) A certified check or money order in the amount of seven hundred and fifty dollars ($750.00) made payable to the North Carolina State Treasurer;

(b) A copy of the school's catalogue or bulletin. The catalogue shall include a statement addressing each item listed in G.S. 115D-90(b)(7);

(c) A financial statement showing capital investment, assets and liabilities, and proposed operating budget;

(d) A complete detail of ownership; (This will show stock distribution if the school is a corporation, or partnership agreement if the school will be operated as a partnership.)

(e) Information on all administrative and instructor personnel who will be active in the operation of the school, either in full- or part-time capacity; (This information will be submitted on forms provided for this purpose.)

(f) Enrollment application or student contract form;

(g) School floor plan showing doors, windows, halls, and seating arrangement; also offices, rest rooms, and storage space; the size of each room and seating capacity will be clearly marked for each classroom; lighting showing kind and intensity will be indicated for each room; the type of heating and cooling system used for the space occupied shall be stated;

(h) Photostatic copies of inspection reports or letters from proper officials to show that the building is safe and sanitary and meets all local city, county, municipal, state, and federal regulations such as fire, building, and sanitation codes;

(i) If building is not owned by the school, a photostatic copy of the lease held by the school for the space occupied.

(3) A person or persons purchasing a proprietary business, trade or technical school already operating as a licensed school shall comply with all of the requirements for securing an original license. A license is not transferable to a new owner. All application forms and other data shall be submitted in full. Such terms "previously submitted" when referring to a former owner's file will not be acceptable. A separate license shall be required for each location of each school, or branch thereof. Classes conducted by the school in separate locations must be reported and approved prior to advertising and commencement of classes.

(4) Changes in application information presented for licensure or relicensure relating to mission, programs, location or stock distribution require prior approval and licensure amendment by the State Board.

(a) Program additions require curriculum reviews and program or course approvals prior to initiation. A check or money order in the amount of one hundred dollars ($100.00) made payable to the North Carolina State Treasurer shall accompany each additional program approval request.

(b) Single course additions or revisions may be individually approved when schools submit a request for license amendment. Course additions or revisions requiring curriculum review, instructor evaluation, and equipment site assessment are subject to the curriculum review fee of one hundred dollars ($100.00).

(c) School relocations require site visits and approvals prior to site relocations. A check or money order in

the amount of two hundred dollars ($200.00) made payable to the North Carolina State Treasurer shall accompany each site relocation approval request.

History Note: *Authority G.S. 115D-88; 115D-89; 115D-90; 115D-91;*
Eff. September 1, 1993.

.0102 APPLICATION FOR RENEWAL OF LICENSE

(a) Schools shall be licensed annually, and the licensure shall extend from July 1 through June 30, inclusive.

(b) Schools desiring the renewal of their license shall submit an application on or before June 1 of each year. The application shall be accompanied by the following:

(1) All information required of schools applying for an original license that has not been previously submitted;

(2) Copy of current catalogue containing all information required of schools applying for original license;

(3) Any supplementary information necessary to bring information on the school up to date.

(c) A check in the amount of five hundred dollars ($500.00) to the North Carolina State Treasurer, shall be received on or before July 1.

History Note: *Authority G.S. 115D-91; 115D-92;*
Eff. September 1, 1993.

.0103 SCHOOL PLANT AND EQUIPMENT

(a) The school plant, premises, and facilities must be adequate, safe, and sanitary and must be in compliance with the statutory provisions and the rules and regulations of all local ordinances pertaining to fire, health, safety, and sanitation.

(b) The equipment, supplies, and instructional materials of the school must be satisfactory and adequate in type, quality, and amount, and must be suitable for satisfactory use in administering the course or courses of instruction. These must also meet all requirements of statutory provisions and local ordinances, and rules and regulations adopted thereunder in regard to fire, health, safety, and sanitation.

History Note: *Authority G.S. 115D-89; 115D-90;*
Eff. September 1, 1993.

.0104 ADMINISTRATION

(a) One person must be designated as the director of the school or branch thereof. The director must be qualified in accordance with the requirements listed in Paragraph (c) of this Rule.

(b) The director or administrator is defined to be a person directly responsible for the school program, the methods of instruction, the employment of teachers, the organization of classes, the maintenance of the school plant and the equipment, the advertising used, and the maintenance of proper administrative records and all other procedures related to the administration of the school or class.

(c) The director or administrator must have the following qualifications:

(1) Be a person of good moral character;

(2) Be a graduate of an accredited college or university;

(3) Have experience as a teacher in one or more of the major subjects taught in the school which one is to administer;

(d) Directors and administrators who possess qualifications which are equivalent to the requirements prescribed herein for directors may be approved individually by the North Carolina State Board of Community Colleges.

History Note: *Authority G.S. 115D-87; 115D-89; 115D-90;*
Eff. September 1, 1993.

.0105 ADVERTISING

(a) A licensed school shall not advertise through any media that it offers courses that the school has not been licensed to offer.

(b) Printed catalogues, bulletins, or prospectus information must be specific with respect to prerequisite training required for admission to the school courses, the curricula, the contents of courses, graduation requirements, tuition and other fees, refunds and allowances for withdrawals and unavoidable or extended absences.

(c) Schools shall not use any name, title, or other designation, by way of advertising or otherwise, that is misleading or deceptive as to character of the institution, or its influence in training employment for students. Business schools shall include the word "Business" in their names unless they are degree granting or accredited as a junior college of business.

(d) Schools shall not use a photograph, cut, engraving, or illustration in catalogues, sales literature, or otherwise in such

a manner as to convey a false impression as to the size, importance, or location of the school's equipment.

(e) Schools shall not use endorsements, commendations, or recommendations by students in favor of a school unless it is with the consent of the writer and without any offer of financial compensation. Such material shall be kept on file by the school.

(f) Schools shall publish tuition rates, payment method, and refund policy in their catalogues or on separate rate sheets and shall not deviate from these rates and policies.

(g) Schools shall not make, cause, permit to be made, or publish any false, untrue, or deceptive statement or representation by way of advertising or otherwise concerning other private business schools or their activities in attempting to enroll students or concerning the character, nature, quality, value, or scope of any course of instruction or education service offered or in any other material respect.

(h) A school or class shall not solicit students to enroll by means of "blind" advertisements or advertisements in the "help wanted" or other employment columns of newspapers and publications.

(i) Schools shall not make false, untrue, or deceptive statements of representatives regarding the opportunities in any vocation or field of activity as a result of the completion of any given course of instruction or educational service.

History Note: *Authority G.S. 115D-89; 115D-90;*
Eff. September 1, 1993.

.0106 ADMISSION REQUIREMENTS

(a) The admission requirements for schools licensed under Article 8 of Chapter 115D of the General Statutes of North Carolina must be made available to the public and administered as written.

(b) The school shall require graduation from high school as a prerequisite to enrollment in a certificate, diploma or degree course offered by the school. Exceptions to this requirement may be made for students who hold a certificate of high school equivalency or for non-high school graduates who are 18 years of age or older who have demonstrated the ability to benefit as determined by accepted test instruments. The school shall not permit students of high school age to attend the school during the time that high schools are in regular session, except in individual cases approved by the student's high school principal. The school shall maintain records in the student's file to show compliance with admission requirements.

(c) The school may admit students to special courses or subjects offered by the school when the school deems the student can profit from the instruction offered.

History Note: *Authority G.S. 115D-89; 115D-90;*
Eff. September 1, 1993.

.0107 RECORDS

(a) A school licensed under G.S. 115D, Article 8, shall maintain current, complete, and accurate records to show the following:

(1) The student's educational and personal background, age, and other personal characteristics that will be helpful to prospective employers.

(2) Progress and attendance including date entered, dates attended, subjects studied, and time; this record shall be in a form which permits easy and accurate preparation of transcripts of educational records for purpose of transfer and placement, providing reports to government services or agencies, or for such other purposes as the needs of the student might require. Such transcripts shall be in the form readily understandable by lay persons and educators alike. The grading system on such transcripts shall be fully explained on the transcript form. Subjects appearing on the transcripts shall be numbered or otherwise designated to indicate the exact subject matter covered. Skills and proficiency in subjects measured by words per minute shall be described fully by the type of test and other conditions of the test by which such skills and proficiencies were scored.

(3) All monies owed and paid by each student.

(b) Records of students shall be open for inspection by properly authorized officials of the State Board.

(c) Financial records of the school shall be open for inspection by properly authorized officials of the State Board when information is furnished the Board or its authorized officials which tends to show the financial status of the school is unstable.

History Note: *Authority G.S. 115D-89; 115D-90;*
Eff. September 1, 1993.

.0108 INSTRUCTIONAL PROGRAM

(a) A school licensed under G.S. 115D, Article 8, shall limit its offering in certificate, diploma and degree courses and special subjects to the courses and subjects for which it has been licensed to offer. At the beginning of each quarter, each

school shall post the schedule of subjects being offered during the quarter. This schedule will show the time and teacher for each subject and designate the room in which the subject will be taught. Each student shall be given a written schedule of classes at the beginning of each quarter to show the student's individual schedule.

(b) Schools shall not publish in their catalogues courses which they have not been licensed to offer. When a school is licensed to offer a course and enrolls students in the course, the school shall maintain sufficient and qualified faculty to teach all subjects required for completing the course during the time stipulated in the school's bulletin as the required time to complete the course and shall schedule classes so that the students will be able to receive instruction in all subjects for the number of instructional hours as advertised in the school's bulletin under which the students enrolled. When a school previously licensed to offer a course fails to maintain the qualifications for continuing the course, the course shall be removed from the catalogue or stamped "not offered."

(c) The number of curricula offered by a school shall be realistic in relationship to faculty and student enrollment. As a general rule, the number of curricula offered shall not exceed the number of faculty employed on a full-time basis.

(d) The school shall arrange its calendar one calendar year in advance and give full information to prospective and enrolled students about holidays; beginning and ending dates of each quarter, term, or semester; and other important dates.

(e) Schools may measure instruction on a clock-hour or credit-hour basis. The catalogue shall provide a clear definition of the method used. The school catalogue must show the number of clock hours or credit hours for each subject offered and the minimum clock hours or credit hours a student must carry for full-time enrollment. Courses offered on a credit-hour basis must show class hours, laboratory hours, and credit hours.

(f) Student teacher ratio shall not exceed 30 to 1.

(g) Class period shall permit a minimum of 50 minutes net instruction.

(h) Certificates, diplomas and degrees shall be issued only upon completion of a standard diploma or degree course.

(i) Students enrolled in diploma or degree programs shall not be enrolled except at the beginning of each quarter or term.

History Note: *Authority G.S. 115D-89; 115D-90;*
Eff. September 1, 1993.

.0109 INSTRUCTOR PERSONNEL

(a) An application for approval to teach in a licensed proprietary business, trade, or technical school must be made on forms provided for this purpose. Such application must be filed immediately when the teacher commences teaching in a proprietary business, trade, or technical school.

(b) A teacher must be found to be qualified by education and experience background and must meet the following qualifications as minimum requirements:

(1) Be a person of good moral character;

(2) Be at least 21 years of age;

(3) Be a graduate of an accredited college or university and hold a baccalaureate degree or meet the requirements of other occupational licensing or approval bodies requested to approve instructor adequacy.

History Note: *Authority G.S. 115D-89; 115D-90;*
Eff. September 1, 1993.

.0110 FINANCIAL STABILITY

(a) A school licensed under G.S. 115D, Article 8, shall have sufficient finances to establish and carry out a program of education on a continuing basis.

(b) The Department of Community Colleges may request a credit report.

History Note: *Authority G.S. 115D-89; 115D-90;*
Eff. September 1, 1993.

.0111 ETHICS

(a) Schools licensed under Article 8 of Chapter 115D of the General Statutes of North Carolina must not offer premiums or special inducement to prospective students or enrollees. Scholarships may be offered provided terms of scholarship are published and approved by the State Board of Community Colleges.

(b) Failure to maintain tuition rates as published is grounds for suspension or revocation of the license of a school.

(c) No officer or representative of the school shall solicit any student to leave any school in which enrolled or in attendance.

(d) A school representative must not guarantee positions or employment to prospective students.

History Note: *Authority G.S. 115D-89; 115D-90; 115D-93;*
Eff. September 1, 1993.

.0112 REVOKING A LICENSE

The license of a proprietary business, trade, or technical school may be revoked in accordance with G.S. 150B, Article 3, when it is found that the school has failed to comply with the requirements of the law and the rules adopted by the State Board.

History Note: *Authority G.S. 115D-93; 150B-22 thru 150B-37;*
Eff. September 1, 1993.

.0113 STUDENT REFUND

Any proprietary business, trade, or technical school that is licensed by the State Board of Community Colleges is subject to the refund policies set forth in Subparagraphs (e)(1) through (3) of Rule 2D .0202 and Subparagraphs (d) (1) through (3) and (5) of Rule 2D .0203 of this Title. Proprietary schools are not required to deposit funds collected for tuition with the State Treasurer's Office.

History Note: *Authority G.S. 115D-90;*
Eff. March 1, 1997.

.0114 BUSINESS SCHOOL; SPECIFIC REGULATIONS

(a) Associate in Applied Science Degree. Note: This degree may be awarded upon licensure by the Board of Governors of the University of North Carolina. Curricula requirements for the programs set out in this Rule are as follows:

(1) Accounting -- 108 credit hours or clock-hour equivalent;
(2) Advanced secretarial -- 54 credit hours or clock-hour equivalent;
(3) Airline secretarial -- 54 credit hours or clock-hour equivalent;
(4) Automated accounting -- 72 credit hours or clock-hour equivalent;
(5) Business administration -- 108 credit hours or clock-hour equivalent;
(6) Electronic data processing -- 54 credit hours or clock-hour equivalent;
(7) Executive secretarial -- 90 credit hours or clock-hour equivalent;
(8) Fashion merchandising -- 54 credit hours or clock-hour equivalent;
(9) General business -- 54 credit hours or clock-hour equivalent;
(10) Junior accounting -- 72 credit hours or clock-hour equivalent;
(11) Legal secretarial -- 90 credit hours or clock-hour equivalent;
(12) Medical secretarial -- 90 credit hours or clock-hour equivalent;
(13) Professional accounting -- 108 credit hours or clock-hour equivalent;
(14) Professional secretarial -- 108 credit hours or clock-hour equivalent;
(15) Secretarial -- 72 credit hours or clock-hour equivalent;
(16) Stenographic -- 54 credit hours or clock-hour equivalent;
(17) Transportation management -- 108 credit hours or clock-hour equivalent.

(b) Other courses may be individually approved as special courses when schools desiring to offer other courses submit a formal application for approval of such courses and are found to have met the requirements for offering the courses.

(c) Interim acceptance of the formal supplementary application for other courses may be granted at the discretion of the System President when a certified statement of intent to furnish qualified instructional personnel and necessary instructional equipment upon the commencing of the initial instruction and/or "hands-on" training is furnished by the applying institution, which institution shall have been duly licensed and in continuous operation for five or more years. The certified statement of intent shall also include a provision to return all monies paid, including any confirming or initial application fee paid by prospective enrollees in the event the course does not materialize upon the advertised beginning date.

History Note: *Authority G.S. 115D-89; 115D-90;*
Eff. September 1, 1993.

SECTION .0200 - CORRESPONDENCE SCHOOLS

.0201 LICENSING PROPRIETARY CORRESPONDENCE SCHOOLS

Basic Information Concerning Licensing Proprietary Correspondence Schools.

(1) No correspondence school located in North Carolina shall solicit students or collect fees until a license has been granted by the State Board.

(2) An application for a license shall be filed with the State Board on a form prescribed by the State Board. Such forms will be forwarded on request.

(3) The State Board may request that other state occupational licensing or approving bodies approve the adequacy of programs, equipment, and personnel during the preliminary application phase.

(4) A correspondence school located in North Carolina when approved may in its advertising use the following statement: "Licensed by the North Carolina State Board of Community Colleges."

(5) The fee for the initial issue of a license is seven hundred and fifty dollars ($750.00) made payable to the North Carolina State Treasurer in the form of a check or a money order.

(6) A license is renewable annually upon payment of a fee of five hundred dollars ($500.00). Fees must be made payable to the North Carolina State Treasurer.

(7) Any license may be revoked after a hearing in accordance with G.S. 115D-93.

(8) A person or persons purchasing a correspondence school already operating as a licensed school shall comply with all of the requirements for securing an original license. A license is not transferable to a new owner. All application forms and other data will be submitted in full. Such terms"previously submitted" when referring to a former owner's file will not be acceptable.

History Note: *Statutory Authority G.S. 115D-87; 115D-89; 115D-91; 115D-93; 115D-95; 115D-96; Eff. September 1, 1993.*

.0202 STANDARDS

(a) Name of School. The name of a correspondence school shall be descriptive of its function or functions. Any word or words which suggest an official relation with a municipality or with the state shall not be used. Any change in the name of an approved school shall be registered with the State Board.

(b) Location of the School. A school is approved for a specific location. Any change in the location of the school shall have the prior approval of the State Board as to adequacy of facilities.

(c) Administration of the School.

(1) Each correspondence school shall have an executive head. The executive head of the school shall present evidence that he has the qualifications and the experience for competent and ethical administration of a correspondence school.

(2) The executive head of a correspondence school shall have the administrative assistance necessary for adequately manning the school and effectively coordinating the work of the teachers.

(3) Each private correspondence school located in North Carolina shall furnish information to the State Board concerning the qualifications of the executive head, courses to be offered, financial resources available to equip and maintain the school, and a description of the facilities available. Failure to furnish any such information or report or to conform in every particular to standards prescribed for such proprietary correspondence school shall be good and sufficient reason for the refusal of a license for such proprietary correspondence school or for the revocation of a license previously granted.

(4) Changes in application information presented for licensure or relicensure relating to mission, program, location, or stock distribution require prior approval and amendment to licensure by the State Board.

(5) Program additions require curriculum reviews and approvals prior to initiation. A check or money order in the amount of one hundred dollars ($100.00) made payable to the North Carolina State Treasurer shall accompany each additional program approval request.

(6) Single course additions or revisions may be individually approved when schools submit a request for license amendment. Course additions or revisions requiring curriculum review and instructor, equipment, and/or site assessment are subject to the curriculum review fee of one hundred dollars ($100.00).

(7) School relocations require site visits and approvals prior to site relocations. A check or money order in the amount of two hundred dollars ($200.00) made payable to the North Carolina State Treasurer shall accompany each site relocation approval request.

History Note: *Statutory Authority G.S. 115D-87; 115D-89; 115D-90; 115D-91; 115D-92; 115D-93; 115D-96;*
Eff. September 1, 1993.

.0203 ORGANIZATION AND NATURE OF CORRESPONDENCE COURSES

Each course of instruction offered by a correspondence school shall consist of the following:

(1) A preliminary lesson or set of instructions on "how to study" by the home-study method or adequate instruction on how to study each lesson assignment.

(2) Textual or lesson materials which are:

(a) Adequate in that they cover the subject as fully and as thoroughly as announced;

(b) Accurate in that they are well authenticated;

(c) Current in that they represent reliable modern information on the subject;

(d) Presented in a simple, clear, interesting, and logical manner so that the students can grasp the important points readily;

(e) Illustrated with photographs, cuts, and drawings which clarify the explanations and not simply adorn the text;

(f) Printed in such a manner as to contribute to ease of study.

(3) Instructional service on each lesson or unit assignment consisting of:

(a) A series of examination questions or problem assignments which thoroughly stress the important phases of the subject presented and which require a demonstration of the student's ability or skill in applying the information secured;

(b) An individualized correctional service pointing out the errors, directing the student to sources of correct information, as well as supplying additional explanations and supplementary instructional material when necessary.

History Note: *Statutory Authority G.S. 115D-89; 115D-90;*
Eff. September 1, 1993.

.0204 INSTRUCTION

(a) A supervisor of correspondence instruction is a person responsible for grading the papers sent to the school by the students and for guiding the students in their study.

(b) Each approved correspondence school in North Carolina shall maintain an adequate and competent instructional staff.

(c) The individualized correctional service shall be assigned to a supervisor or supervisors of correspondence instruction who shall have as a minimum the following educational preparation and experience:

(1) A high school education and a combination of at least six years of higher education, teaching, and experience closely related to the subjects to be taught. This standard shall not operate to prevent the employment of competent assistants without these qualifications to grade papers under direction of an approved supervisor of correspondence instruction; and

(2) A knowledge of educational psychology and methods as those subjects apply to the courses to be taught.

(d) Each supervisor of correspondence instruction shall be approved by the State Board. An approved correspondence school located in North Carolina may employ for a period not to exceed 60 days a supervisor of correspondence instruction who has not yet obtained approval by the State Board. Any supervisor of correspondence instruction so employed shall obtain approval by the State Board for the particular assignments concerned within 60 days. In applying for approval of supervisors, correspondence schools shall use a form provided by the State Board to show for each supervisor concerned the following:

(1) Educational background and attainments;

(2) Work related to the courses concerned;

(3) Three references who are qualified to judge the supervisor concerned.

History Note: *Statutory Authority G.S. 115D-89; 115D-90;*
Eff. September 1, 1993.

.0205 FINANCIAL STABILITY

Each correspondence school located in North Carolina shall annually demonstrate to the satisfaction of the State Board

that it has financial resources sufficient to carry out the program of instruction submitted for approval. Each school shall maintain detailed records. These records shall be subject to inspection by the State Board or its representatives.

History Note: *Statutory Authority G.S. 115D-89; 115D-90;*
Eff. September 1, 1993.

.0206 THE OFFICIAL BULLETIN OR CATALOGUE

Each correspondence school located in North Carolina shall develop and maintain a current printed bulletin which shall clearly indicate that it is an institution offering courses by correspondence. Its statements shall set forth the obligations of both the school and the students. The bulletin shall show the following:

(1) The name and location of the school;
(2) The name of the executive head of the school;
(3) A description of the lessons and the courses offered; Upon approval of the State Board, this standard may be met by publishing a description of the courses offered as a bulletin separate from the catalogue.
(4) The fees and tuition charges; a correspondence school may meet this standard by publishing separately its list of fees and charges provided an up-to-date list of such fees and charges is kept filed with the State Board.
(5) Requirements for graduation;
(6) The maximum time allowed for completing each course.

History Note: *Statutory Authority G.S. 115D-89; 115D-90;*
Eff. September 1, 1993.

.0207 RESPONSIBILITY FOR PERSONNEL AND AGENTS

Each correspondence school shall be accountable for the acts of its licensed solicitors and filed representatives as these acts affect the rights of students or prospective students. Each proprietary correspondence school located in North Carolina shall give its sales representatives adequate preliminary training and exercise careful supervision to guard against any misrepresentation to prospective students and to prevent the enrollment of pupils who lack qualifications for probable success in completing the course concerned.

History Note: *Statutory Authority G.S. 115D-89; 115D-90;*
Eff. September 1, 1993.

.0208 CONTRACT WITH STUDENT

The contract between a correspondence school and a student shall enumerate the following:

(1) The total cost to the student;
(2) The initial payment at the time of registration;
(3) The amounts of subsequent payments and a statement specifying when the payments are due;
(4) A list of the books, supplies, and equipment, if any, to be furnished by the correspondence school;
(5) A list of the books, supplies, and equipment, if any, which the student must purchase in addition to those provided by the correspondence school;
(6) All other charges, if any, which the school may make such as fees for a diploma or for graduation;
(7) The terms of settlement for the student who desires to discontinue his enrollment and withdraw from the school;
(8) The terms of settlement for the student who is dropped by the school; these terms must be found to be satisfactory by the State Board;
(9) The particulars concerning instruction during completion periods in schools, shops, or laboratories provided such instruction is offered.

History Note: *Statutory Authority G.S. 115D-89; 115D-90;*
Eff. September 1, 1993.

.0209 RESIDENT TRAINING

Resident training in shops, schools, or laboratories may be offered by correspondence schools located in North Carolina provided the shop, school, or laboratory concerned is approved by the State Board as adequate for the courses offered. If a correspondence school located in North Carolina advertises as a part of a course a completion period in a school, shop, or laboratory, then the contract shall specify:

(1) The basis for qualifying as a student for admission to the shop, laboratory, or school for the completion period concerned;

(2) The location of such shop, laboratory, or school;
(3) The schedule of periods of instruction in such shop, laboratory, or school;
(4) The number of days of instruction to which the qualified student is entitled;
(5) A description of the facilities in the shop, laboratory, or school concerned;
(6) The amount of additional tuition required, if any, for attendance at the shop, laboratory, or school used for the completion period;
(7) The student's responsibility for paying the cost of transportation to and from the shop, laboratory, or school where the completion period is scheduled;
(8) The student's responsibility for paying the cost of room and board while in attendance during the completion period;
(9) A list of books, supplies, and tools, if any, which will be furnished by the school for use by the student while in attendance during the completion period and the rental cost, if any, for the use of such books, tools, and supplies;
(10) A list of any additional tools, equipment, work clothing, books, or other items which must be purchased by the student for use during the completion period.

History Note: *Statutory Authority G.S. 115D-89; 115D-90;*
Eff. September 1, 1993.

.0210 STANDARDS FOR ENROLLMENT

Each correspondence school located in North Carolina shall either:
(1) Establish and print standards of educational achievement which students shall attain before enrolling for each course offered; or
(2) Begin each course with simple basic reading and illustrations which lead gradually to the more advanced lessons.

History Note: *Statutory Authority G.S. 115D-89; 115D-90;*
Eff. September 1, 1993.

.0211 RECORDS

A summary of the student's educational achievement shall be recorded on a form planned for that purpose. These records shall be retained by the correspondence school for a period of at least 20 years.

History Note: *Statutory Authority G.S. 115D-89; 115D-90;*
Eff. September 1, 1993.

.0212 UNFAIR PRACTICES

(a) The "Guides for Private Vocational and Home Study Schools," 16 CFR, Part 254, approved by the Federal Trade Commission, May 16, 1972, are hereby incorporated by reference including any subsequent amendments and editions of these guides to apply to correspondence schools.

(b) Copies of 16 CFR, Part 254 may be inspected in or obtained, at no cost, from the Office of the System President, Department of Community Colleges, 200 W. Jones Street, Raleigh, NC 27603-1337.

History Note: *Statutory Authority G.S. 115D-89; 115D-90; 150B-21.6;*
Eff. September 1, 1993.

.0213 REVOKING A LICENSE

The license of a correspondence school located in North Carolina may be revoked pursuant to G.S. 150B, Article 3, upon a determination that the school concerned has not complied with the requirements of G.S. 115D, Article 8, or any rule in this Subchapter.

History Note: *Statutory Authority G.S. 115D-87 thru 97; 150B-22 thru 150B-37;*
Eff. September 1, 1993.

.0214 APPLICATION FOR RENEWAL OF LICENSE

(a) Correspondence schools shall be licensed annually, and the licensure shall extend from July 1 through June 30, inclusive.

(b) Schools desiring the renewal of their license will submit an application on or before June 1 each year. The application shall be accompanied by the necessary data to bring the information on the school up to date.

(c) A check in the amount of five hundred dollars ($500.00) made payable to the North Carolina State Treasurer shall be submitted on or before July 1.

History Note: *Statutory Authority G.S. 115D-91; 115D-92;*
Eff. September 1, 1993.